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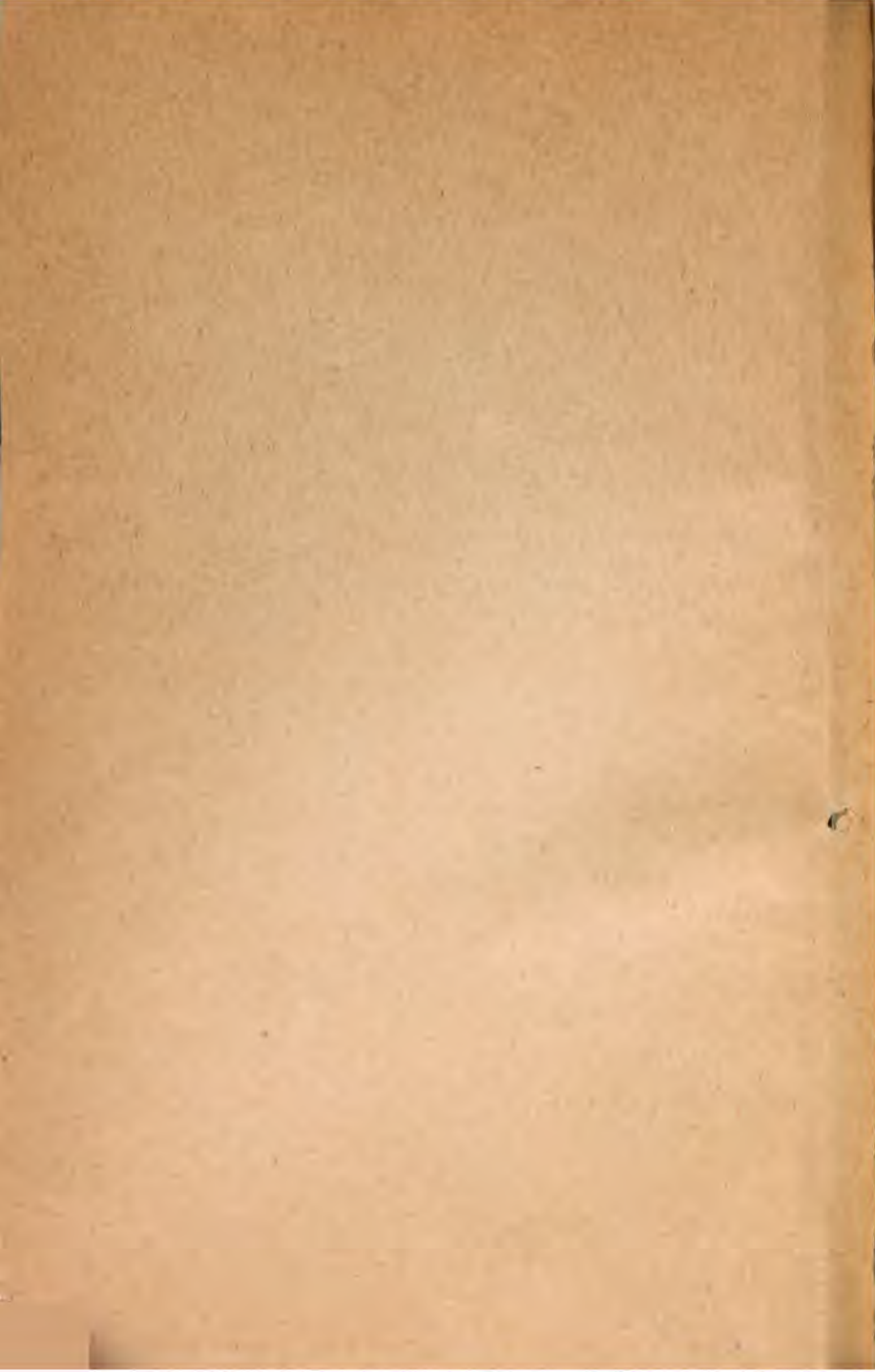
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# **THE CLOSED SHOP**

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SELECTED ARTICLES ON  
**THE CLOSED SHOP**

COMPILED BY  
**LAMAR T. BEMAN, A.M., LL.B.**

THE H. W. WILSON COMPANY  
NEW YORK  
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1921



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## EXPLANATORY NOTE

(The abnormal industrial prosperity of the war period, with its high wages, high prices, ready employment, prodigal spending, and its rapid growth and domineering attitude of trade unionism, <sup>and its policy</sup> has brought in its wake a spontaneous and nationwide demand among employers for the open shop.) In many parts of the country employers associations and chambers of commerce, who bided their time during the period of greater prosperity, are now conducting an active campaign of publicity, issuing hundreds of bulletins, filling various trade and commercial papers with articles, and otherwise disseminating propaganda advocating the open shop which they call the American plan for they claim to be actuated by motives of highest patriotism. Labor, lacking the whip hand which it held during the war period, but realizing the real purpose and the full significance of this campaign, is ready to fight to the limit of its power all attempts to crush out the closed shop. In several cities the central labor body is collecting funds, issuing pamphlets, and furnishing speakers for clubs and public meetings, in an effort to counteract the aggressive campaign of the employers. Thus is being written a new chapter in the struggle of organized labor to establish the union or closed shop against the determined resistance of the employers, and again the closed shop controversy becomes one of the leading public questions.

This volume is compiled in accordance with the general plan of the Handbook series. In this series the effort is made to present fully and fairly both sides of one of the great public questions of the day in a handy, convenient, and concise form. This volume, like the others of the series, contains a debaters' brief on each side of the question, reprints of the best that has been written on both sides, and a select bibliography that gives references to a wider field of the best material on the subject.

LAMAR T. BEMAN

February 1, 1921.

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1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the integrity of the financial system and for the ability to detect and prevent fraud. The document also notes that records should be kept for a sufficient period of time to allow for a thorough review if necessary.

2. The second part of the document outlines the specific requirements for record-keeping. It states that all transactions must be recorded in a clear and concise manner, and that the records must be accessible to all authorized personnel. The document also requires that records be kept in a secure location and that they be protected from unauthorized access or destruction.

3. The third part of the document discusses the role of the auditor in ensuring the accuracy of the records. It states that the auditor must conduct a thorough review of the records and must report any discrepancies or irregularities to the appropriate authorities. The document also notes that the auditor must maintain a high level of independence and objectivity in their work.

4. The fourth part of the document discusses the consequences of failing to comply with the record-keeping requirements. It states that any person who fails to comply with these requirements may be subject to disciplinary action, including suspension or termination. The document also notes that any person who provides false or misleading information to the auditor may be subject to criminal prosecution.

5. The fifth part of the document discusses the importance of training and education in ensuring the accuracy of the records. It states that all personnel involved in the financial system must receive appropriate training and education to ensure that they are able to perform their duties accurately and efficiently. The document also notes that ongoing training and education are necessary to keep personnel up-to-date on the latest developments in the field.

6. The sixth part of the document discusses the importance of communication in ensuring the accuracy of the records. It states that all personnel must be kept informed of the requirements and procedures for record-keeping, and that they must be encouraged to report any discrepancies or irregularities to the appropriate authorities. The document also notes that regular communication and reporting are essential for the effective functioning of the financial system.

7. The seventh part of the document discusses the importance of documentation in ensuring the accuracy of the records. It states that all transactions must be supported by appropriate documentation, and that the documentation must be kept in a secure location and be accessible to all authorized personnel. The document also notes that proper documentation is essential for the ability to detect and prevent fraud.

8. The eighth part of the document discusses the importance of internal controls in ensuring the accuracy of the records. It states that all transactions must be subject to appropriate internal controls, and that these controls must be designed to detect and prevent errors and fraud. The document also notes that internal controls are essential for the integrity of the financial system.

9. The ninth part of the document discusses the importance of external audits in ensuring the accuracy of the records. It states that all financial systems must be subject to regular external audits, and that these audits must be conducted by independent auditors. The document also notes that external audits are essential for the ability to detect and prevent fraud.

10. The tenth part of the document discusses the importance of transparency in ensuring the accuracy of the records. It states that all transactions must be transparent and that the records must be accessible to all authorized personnel. The document also notes that transparency is essential for the integrity of the financial system.

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## BRIEFS

RESOLVED, That the closed shop would benefit the American people as a whole.

### AFFIRMATIVE BRIEF

#### Introduction.

- A. The working class has slowly arisen to its present position through a series of economic stages as a result of many centuries of struggle with the employer class.
1. Slavery, in which the working class was the property of the employer class.
    - (a) Slavery of white people was quite common in ancient times, even in the supposedly cultured nations of Greece and Rome.
    - (b) The slavery of colored people prevailed even until the memory of men still living.
  2. Serfdom, in which men could not leave the estate where they lived, but passed with the land when it was sold.
  3. The guild system.
  4. The conditions during the rise of the factory system.
    - (a) Long hours of work, often fifteen hours a day.
    - (b) Very low wages.
    - (c) Unsanitary and unsafe conditions of employment.
    - (d) Women and young children working in factories and mines.
    - (e) The working class denied suffrage and other political rights.
  5. The conditions of two generations ago.
    - (a) Labor unions were criminal conspiracies prohibited by law in England.



(b) The working class in America was better off than in Europe, because free land in this country had a tendency to keep wages up to a more comfortable standard, since any employee who was dissatisfied with his job could quit and take a farm which the government would give him for the asking.

B. This struggle between the employer class and the working class, which began at the beginning of civilization, will continue until industrial democracy has become an accomplished fact.

1. It will continue to be a very slow process of advancement for the working class.
2. Every gain for the working class must be fought for and forced from the employer class.

C. The most important problem in this world today is the betterment of the condition of the working class.

1. More than half the people in the world are underfed.
2. The discontent of the working class, who are no longer able to leave their work for farming, is the most serious peril to our institutions.
3. Scholars and statesmen have long recognized this condition.

(a) Thomas H. Huxley wrote thirty years ago (Nineteenth Century. 27:862. May, 1890) "I do not hesitate to express the opinion, that if there is no hope of a large improvement of the condition of the greater part of the human family; if it is true that the increase of knowledge, the winning of greater domination over nature which is its consequence, and the wealth that follows upon that dominion, are to make no difference in the extent and the intensity of want, with its concomitant physical and moral degeneration, among the masses of the people, I should hail the advent of some kindly comet, which would sweep the whole affair away, as a desirable consummation."

What open <  
 1. 2. 3. 4. 5. 6.

- D. The closed shop means a job on which only members of a trade union are employed.
  - 1. The proper name to apply to this institution is the "union shop."
  - 2. The term "closed shop" has been fastened upon it by the enemies of organized labor.
- I. The union shop is necessary for the general welfare.
  - A. Modern industrial conditions make it necessary for the working class to organize themselves into labor unions in order to safeguard their welfare.
    - 1. In the present complicated and highly organized system the individuality of the laborer is lost, and as an individual he is powerless to better his condition.
    - 2. The employer class is highly organized and centralized.
    - 3. Conditions of employment in many of the non-unionized industries are now unendurable.
      - (a) Labor is often compelled to work excessive and unreasonable hours, so many that it is impossible for the men to be good American citizens.
      - (x) The Commission of Inquiry of the Interchurch World Movement in its "Report on the Steel Strike of 1919" says, (p. 11) there were "191,000 employees in the U.S. Steel Corporations manufacturing plants." "Approximately one half the employees were subjected to the twelve-hour day. Approximately one half of these in turn were subjected to the seven-day week." (p. 12) "Much less than one quarter had a work day of less than ten hours (sixty-hour week)" "The average week of all employees was 68.7 hours." "The American steel average was over 20 hours longer than the British, which ran between 47 and 48 hours in 1919." "The hours were longer than in 1914 or

1910" (in America). "The 12-hour day made any attempt at Americanization or other civic or individual development for one half of all immigrant steel workers arithmetically impossible."

- (y) Until the clothing industry was unionized sweatshop methods prevailed quite generally.
- (b) Wages are unreasonably low, often below the minimum necessary for subsistence.
- (x) The commission of Inquiry of the Interchurch World Movement reports (p. 12) "The annual earnings of over one third of all productive iron and steel workers were, and had been for years, below the level set by government experts as the minimum of subsistence standard for families of five." "The annual earnings of 72 percent of all workers were, and had been for years, below the level set by government experts as the minimum of comfort level for families of five." (p. 13) "Nearly three quarters of the steel workers could not earn enough for an American Standard of living." "In 1918 the corporation's final surplus, after paying dividends of \$96,382,027, and setting aside \$274,277,835 for federal taxes payable in 1919, was \$466,888,421, a sum large enough to have paid a second time the total wage and salary budget for 1918 and to have left a surplus of over \$14,000,000."
- (c) In several of the non-unionized industries child labor in its worst form still prevails.
- (x) See article entitled "Employers poisoning the springs of childhood." Literary Digest. 68:36-7. January 8, 1921.

- (d) Preventable accidents each year kill thousands and maim tens of thousands of workers.
  - (x) The 1918 Statistical Abstract of the United States gives the following very complete figures on industrial accidents for that year.
  - (y) The same authority gives (p.78) the number of deaths due to causes accidental or unidentified in 1918 as 65,908 in the registration area which included about three fourths of the population of the United States.
  - (e) Unsanitary conditions still prevail in many of the non-unionized industries.
- B. Without the union shop, labor organizations could accomplish very little for the working class in its upward struggle with the employer class.
- 1. Powerful combinations of employers would easily crush labor unions.
    - (a) The Lockwood Committee investigation in New York city has revealed the fact that the Bethlehem Steel Co. and its subsidiary companies refuse to sell fabricated steel to erectors employing union labor. (Survey. 45:494-5. January 1, 1921)
  - 2. Individual employers can and do use non-union men to destroy the effectiveness of unions.
    - (a) Employers will continually discharge union men, especially those influential and active in the unions, and replace them with non-union men.
    - (b) Some industries employ spies and detectives who even join the unions and report to the employers all plans and discussions. (see Report on the Steel Strike of 1919)
  - 3. Employers would use cheap immigrant labor to break down the unions, as has been done in the steel industry and in the garment trades.
  - 4. Employers would bring ignorant and inefficient colored labor from the south and use it as a

means of fighting the unions, as they did from 1916 to 1918: (Survey. 45:420-1. December 18, 1920)

- C. The effectiveness of collective bargaining and trade agreements is dependent upon the existence of the union shop.
    - 1. They cannot be successfully operated when a shop is not unionized.
      - (a) The non-union men will not keep a union agreement.
      - (b) The union shop contract binds labor to keep its agreements inviolate.
    - 2. The destruction of the union shop would therefore destroy collective bargaining and trade agreements, leaving the working class at the mercy of the employer class.
      - (a) Employers would then arbitrarily fix wages, hours of work, and other conditions of employment, as is now done in the steel industry.
  - D. The union shop is necessary to the life of the labor unions.
    - 1. The fight for the open shop is a thinly veiled attempt to destroy the labor unions.
    - 2. If union men can be continually replaced by non-union men, the union cannot long survive.
- II. The union shop is socially desirable and beneficial.
- A. It has benefited the whole working class.
    - 1. It has secured shorter hours, giving the wage earners opportunity for the rest and recreation necessary to make good citizens.
    - 2. It has secured higher wages, making it possible for the working class to improve their standard of living and to give their children better educational opportunities.
    - 3. It has improved the conditions of employment in other ways.
      - (a) The sanitary conditions.
      - (b) The moral atmosphere and the spirit of industry.

4. It has secured more steady and permanent employment.
  - B. It has benefited the employers.
    1. It has secured for them better and more responsible workmen.
    2. It has decreased strikes and labor troubles.
    3. It has very greatly reduced labor turnover, and thus made a great saving to industry.
    4. Union rules in closed shops are reasonable and practicable.
  - C. It has benefited the general public.
    1. It has elevated the general average of mankind.
      - (a) The workingman becomes a better citizen.
      - (b) Employers become more reasonable and humane.
    2. It tends to secure a steady market and normal prices.
    3. It has been a great forward step towards industrial democracy.
  - D. It has not been harmful to the non-union workingmen, but on the contrary has been very beneficial to them.
    1. The labor unions in this country are open unions, so that the non-union men can join them if they want to do so.
    2. The beneficial results for which the unions have to struggle,—the higher wages, shorter hours, and improved conditions of employment, are shared and enjoyed by the non-union men.
    3. The open shop does not secure to the non-union men any greater liberty, nor do they get as high pay or as favorable conditions of employment under open shop conditions.
- III. The union shop is a practicable policy.
- A. It has been a general success wherever tried.
    1. In all kinds of industries.
    2. In all parts of the country.
    3. For many years of trial.
  - B. It is the natural and logical development of present industrial conditions.

1. It is the necessary and inevitable result of the highly centralized organization of the employer class.
- C. It is a principle not peculiar to industrial work.
  1. The legal profession in most states is conducted on the closed shop principle, admission to the bar being as a result of an examination conducted by lawyers.
  2. The same conditions prevail in most states as regards the other professions.
- D. The union shop is endorsed and approved by most statesmen.

### NEGATIVE BRIEF

#### Introduction.

- A. The closed shop means that an agreement has been entered into by an employer and his employees to exclude all non-union men from that shop or job.
  - B. This is a comparatively new plan; one not yet accepted as an industrial change.
  - C. The negative does not oppose trade unions in their rightful sphere, but believes that when trade unions compel an employer to exclude all non-union men from any shop or job, that they are going beyond their rightful sphere of activity, infringing the rights of others, and interfering with the social welfare.
1. The methods employed by trade unions to secure closed shop agreements cannot be justified.
    - A. The methods which they employ are:
      1. Threats, intimidation, duress. Employers have often entered into contracts to deliver goods by a specified time, or have established a business requiring continuous service, so that even a slight interruption would be disastrous to them, and are therefore at the mercy of the unions which always take advantage of such conditions.
      2. Strikes, which result in:
        - (a) Financial loss and great inconvenience to:
          - (x) The employer.
          - (y) All the employees.
          - (z) The general public.

- (b) Disorder and breach of the peace, by:
      - (x) Violence, slugging and murder.
      - (y) Mob rule and disorder.
      - (z) Dynamiting and other destruction of property.
    - 3. Boycotts.
      - (a) Case of Buck's Stove and Range Co., of St. Louis.
      - (b) The Danbury Hatters case.
      - (c) Case of the Duplex Printing Press Co.
    - 4. Stoppages and striking on the job.
    - 5. Misuse and abuse of the union label.
  - B. These methods are injurious to industry and to the people as a whole.
    - 1. They interfere with service, interrupt production.
    - 2. They make investments less secure.
    - 3. They lower the standard of morality and the respect for the law.
- II. The closed shop is an un-American institution.
- A. The American industrial system originated and has developed on the open shop basis.
    - 1. The closed shop is a comparatively new system.
    - 2. Ninety percent. of our industrial establishments are now conducted on the open shop basis.
  - B. The closed shop is illegal, or is generally brought about by the use of means and methods that are illegal.
    - 1. The closed shop infringes the right of free contract.
    - 2. The closed shop is an organization in restraint of trade.
      - (a) So held by the U.S. Supreme court in the case of *Lowe vs. Lawlor*. (Bulletin. U.S. Bureau of Labor. No. 75. p. 622)
      - (b) So held by the U.S. Circuit court for the northern district of California in the case of *Loewe vs. State Federation of Labor*. (Bulletin. U.S. Bureau of Labor. November 19, '05, p. 1067. Also 139 Fed. R. 71)



3. Procuring the discharge of anyone on no substantial evidence except that he does not belong to a union is unlawful.
    - (a) Lucke vs. Clothing Cutters and Trimmers Assembly. 77 Md. 396.
    - (b) Perkins vs. Pendleton. 90 Me. 126.
    - (c) Erdemann vs. Mitchell. 207 Pa. 79.
  4. The closed shop tends to create a labor monopoly.
    - (a) So held in Massachusetts in the case of Berry vs. Donovan.
  5. The closed shop is a criminal conspiracy.
    - (a) So held by the appellate court of Cook county, Illinois, in the case of Cristensen vs. Kellogg Switchboard Co.
  6. In the case of the Duplex Printing Press Co. vs. Deering and other the U.S. Supreme Court held on Jan. 3, 1921, that the secondary boycott to enforce the closed shop is unlawful.
  - C. The closed shop interferes with individual liberty, which is one of the fundamental principles of the American industrial system.
    1. Of the employer, to employ the men he thinks best qualified to do the work he wants done.
    2. Of the employee, to work where he wants to.
  - D. The closed shop restricts a man's right to the use of his own property.
- III. The closed shop is undesirable and detrimental to society.
- A. To the non-union men who constitute the majority of the wage earners in this country.
    1. The non-union men are deprived of legal rights and personal liberty.
      - (a) Their right to free contract would be greatly impaired.
      - (b) Their rights to work when and where they wish will be destroyed.
    2. The non-union men are thrown upon the mercy of the union.
      - (a) Certain classes, e.g., colored men in many places, in others those who have served in the state militia or as strike breakers, are

excluded from the union or burdened with heavy fines.

- (b) Many workmen, for religious or other reasons, refuse to join the union.

- (x) In some unions, a member is required to take an oath of obligation to support the union in preference to to any other institution, even the government.

- 3. If not received into the union, and many would be in this position, the non-union men would often be thrown out of work and find themselves unable to get work in the same trade.

B. To the union men themselves.

- 1. The standard of efficiency of the men would be lowered.

- (a) A union card would often be sufficient to a position, and efficiency would be a minor consideration.

- (b) The men would be less responsible for the quality of their work, because they would know an employer would be restrained from discharging them for inefficiency.

- 2. All union men are put upon the same plane, and thus personal ambition is destroyed.

- (a) Union regulations fix the hours and wages and usually restrict production so that a man, even if he so desires, cannot raise his earning capacity above the fixed maximum limit. This was the cause of the long and bitter boycott of the Buck Stove and Range Company of St. Louis.

- 3. The unions would not use wisely the power given them, for they have already shown themselves unable to use wisely the power and the privileges they have.

- (a) Their leaders are occasionally incompetent, or dishonest men.

- (b) They have often made excessive and unreasonable demands, and have frequently struck for trivial reasons.

4. The closed shop would force upon the unions unsympathizing and disinterested members, and thus the usefulness of the union would be impaired, if not destroyed.
- C. The closed shop would be particularly injurious to the employer.
  1. He would be deprived of his right of free contract.
  2. He would lose control of his shop, which is his property, for the unions can dictate terms and conditions to him.
    - (a) The rate of wages he must pay.
    - (b) The basis of the wage system he uses.
    - (c) The class of men he employs.
    - (d) The number of men he must employ.
    - (e) The hours of work.
    - (f) The machinery he is to buy.
  3. Under the closed shop the output of the employer is restricted. Unions employ every possible means to restrict the employers' output, for they act on the fallacious idea that if every man does less there will be more work for other men to do, and hence the rate of wages will increase. But all economists agree that anything that tends to decrease the social product tends to decrease the value of wages.
    - (a) The by-laws of many unions prove this.
    - (b) The common provision of union shop rules regarding piece work.
  4. The employer would lose control of the quality of his goods.
    - (a) He would be controlled by union rules.
    - (b) He will often have to accept the work of union men even where it is unsatisfactory to him.
  5. Workmen have less loyalty for employers.
    - (a) Strikes are more frequent.
    - (b) Striking on the job and stoppages are often resorted to.
    - (c) Constant friction has been the result.

- D. The closed shop is injurious and detrimental to the general public and it is therefore highly undesirable.
1. The closed shop almost invariably results in restricted and reduced output, which means an increased cost of production, and this would of necessity increase the present high prices, for cost to consumer would be raised by
    - (a) Increased wages demanded in closed shops.
    - (b) Cost of strikes necessary to secure closed shop.
    - (c) Graft of union officials, as shown by the Lockwood.
  2. The closed shop committee restricts the number of apprentices. Boys and young men are therefore not free to pursue what calling or trade they wish. This is a denial of equal opportunity to all.
  3. The closed shop would widen the gulf between capital and labor.
    - (a) Each would necessarily think of the other as his natural enemy.
    - (b) There would be no constant friction about the control of the shop.
  4. When the employer is unable to control his shop capital will cease to be invested in that trade, and it would begin to flow out of the country to seek foreign investment.

IV. The closed shop is impracticable.

- A. It is an impossible condition for all industries.
1. If farmers worked a 44-hour week, there would be starvation in our cities, for it would restrict the agricultural product below the actual needs of the people.
  2. Social income cannot exceed the total output.
- B. If used in some industries, the workers in others, must make up for it.
1. Higher wages or shorter hours must be followed by higher prices, compelling the general public to bear the burden.

- C. It gives too much power to the unions.
  - 1. Unions are not responsible to anybody.
    - (a) They are not incorporated and cannot be reached through the courts as employers can.
  - 2. It would give absolute control of the shop into the hands of the union.
    - (a) The men are usually ignorant and untrained for such responsible work. (Publications American Economic Association Feb. 1903).
  - 3. They are sometimes very corrupt and use their power for doing harm.
    - (a) Sometimes to ruin certain employers.
    - (b) Sometimes to extort bribes from employers.
- D. Experience shows that the open shop is best.
  - 1. It has existed since the introduction of the factory system and is now the condition in more than nine-tenths of the shops and factories.
    - (a) Unions are now about 150 years old while the agitation for the closed shop is only about 30 years old.
  - 2. The open shop is working almost universally in England and is working well.
    - (a) It may be said that conditions are different. True, we advocate adopting their conditions in this respect.
  - 3. Every evil that has arisen in the past has been cured by some remedial statute.
- E. Every evil that now exists or may hereafter exist in the open shop system can be remedied by some less socialistic measure.
  - 1. By commissions established by law, such as
    - (a) The Interstate Commerce Commission.
    - (b) The Anthracite Coal Strike Commission.
  - 2. By public opinion, which is now strongly against the closed shop.

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## THE CLOSED SHOP

### INTRODUCTION

The labor problem is the group of controversies growing out of the struggle for self interest between the employer and the employee classes. While it is as old as the human race, it has changed and developed with the evolution of industrial society. As labor has become more intelligent and better organized, and as the consolidation of industry has decreased the competition within the employer class and resulted in better organization and greater centralization, the conflicts between these two classes, both the open industrial warfare and the continuous struggle for self advantage, have been conducted on a much larger scale than in the earlier years.

The closed union shop is one of the recent phases of the labor problem, but it is a phase that is difficult to isolate and study apart by itself. An even greater difficulty confronts the student because of the lack of agreement among writers and speakers upon the meaning of the terms "open shop" and "closed shop" to say nothing of the vague and almost meaningless way these terms are sometimes used in the public press and the confusion found in some of the pamphlets and leaflets that have recently been issued.

A closed shop is one in which an agreement has been made between the employer and the union that only those workers in any given trade will be given employment who are members in good standing of the union of that trade. It is in the nature of a labor monopoly, and it is generally brought about by compulsion. On the other hand it is not true that the only qualification for employment is membership in the union, though this statement will be found in many of the pamphlets advocating the open shop.

The open shop is one where there is no distinction, preference, or discrimination either for or against any individual workman because he is or is not a member of a labor union.

Such an institution is an ideal, rather than the condition which prevails in the thousands of industrial establishments that claim to be following the open shop plan. The open shop as above defined may be what some of the advocates of the American plan have in mind, but their avowed hostility to the labor unions raises doubts in the mind of the disinterested student. He is often led to believe that the preferential non-union shop is the thing that is desired.

In times of industrial prosperity, when manufactured commodities and labor are in great demand, when prices and wages are high, the labor unions exert every effort to extend the principle of the closed union shop. When the pendulum swings the other way, when thousands are out of work, when wages and prices are going down, and when the demand for goods has fallen off, then employers are more insistent in their demand for the open shop. During the war and for some months after the armistice was signed labor had its inning and took full advantage of it. During this period the membership of the American Federation of Labor was doubled, as is shown in the table below. During the summer of 1920 a marked change of conditions set in. Although prices began to fall there was less demand for goods. Before the end of the year many industries either suspended operations or reduced them to a considerable extent. Then there developed among employers a spontaneous and nation-wide demand for the open shop. It was endorsed by the United States Chamber of Commerce by an overwhelming vote. It is supported by 540 organizations in 247 cities in 44 states. Employers' publications, trade journals, leaflets and pamphlets issued by employers associations and chambers of commerce have been very strong in their endorsement of the open shop campaign during the past six months.

In December 1920 the American Federation of Labor had 4,500,000 members with 109 national and international unions, 40,000 local unions, 47 state federations of labor, 968 city central labor bodies, 5 departments, 682 local department councils, and 1207 local trade and federal labor unions affiliated directly. The growth of the American Federation of Labor is shown by the following table:

## MEMBERSHIP

## AMERICAN FEDERATION OF LABOR

1881	.....	50,000
1884	.....	100,000
1887	.....	150,000
1889	.....	200,000
1892	.....	250,000
1899	.....	300,000
1900	.....	550,000
1901	.....	750,000
1902	.....	1,000,000
1903	.....	1,450,000
1904	.....	1,650,000
1906	.....	1,450,000
1908	.....	1,550,000
1909	.....	1,450,000
1910	.....	1,550,000
1911	.....	1,750,000
1912	.....	1,800,000
1913	.....	1,950,000
1914	.....	2,000,000
1915	.....	1,950,000
1916	.....	2,050,000
1917	.....	2,350,000
1918	.....	2,700,000
1919	.....	3,250,000
Dec. 1919	.....	4,050,000
Dec. 1920	.....	4,500,000

In December 1920 Samuel Gompers wrote, "There are 5,500,000 organized workers in the United States. The American Federation of Labor has a membership of 4,500,000. The railroad brotherhoods have a membership of over 500,000. There are about 8,000,000 wage earners in the United States eligible to membership in trade unions. Nearly 65 per cent. are organized. The 5,500,000 organized workers represent 27,500,000 people, or about 25 per cent. of the population of the United States. It is often said that there are 38,000,000 people engaged in gainful occupations, but those engaged in gainful occupations



include every employer, doctor, lawyer, dentist, etc. Only wage earners are eligible to membership in the trade unions."

Such was the condition of organized labor at the close of the year 1920. Its membership is said to be falling off now, and the closed shop to be losing ground, but union leaders say that the losses are small and temporary.

It is impossible to present any similar table of simple figures that will show the growth in the centralization of capital or in the organization of the employers, but there have been even greater strides made along these lines in the last forty years than by union labor in extending its membership.

Organized labor wants the closed union shop because it gives a labor monopoly that puts the working class on an equal footing with the employer. (When all the employees in a given trade in any shop are union men, then through their union they can bargain with their employer as a unit. This is what is meant by collective bargaining. It is a condition where the parties meet as equals. Their deliberations usually result in compromising differences and in reaching an agreement in the formation of which each has had a voice. If none of the employees, or only a part of them, are union men, then it is practically impossible for the employees in any large establishment to bargain with their employer as a unit, but they must deal with him as separate individuals. Under these conditions there can be no real collective bargaining. In the open shop the workman deals as an individual with his employer, and is at as great a disadvantage as the employer would be were the union in a closed ~~union~~ shop to refuse to deal with the officers of a corporation and make all contracts with each stockholder as an individual.) In the non-union or open shop wages, hours, and conditions of employment are fixed by the employer.

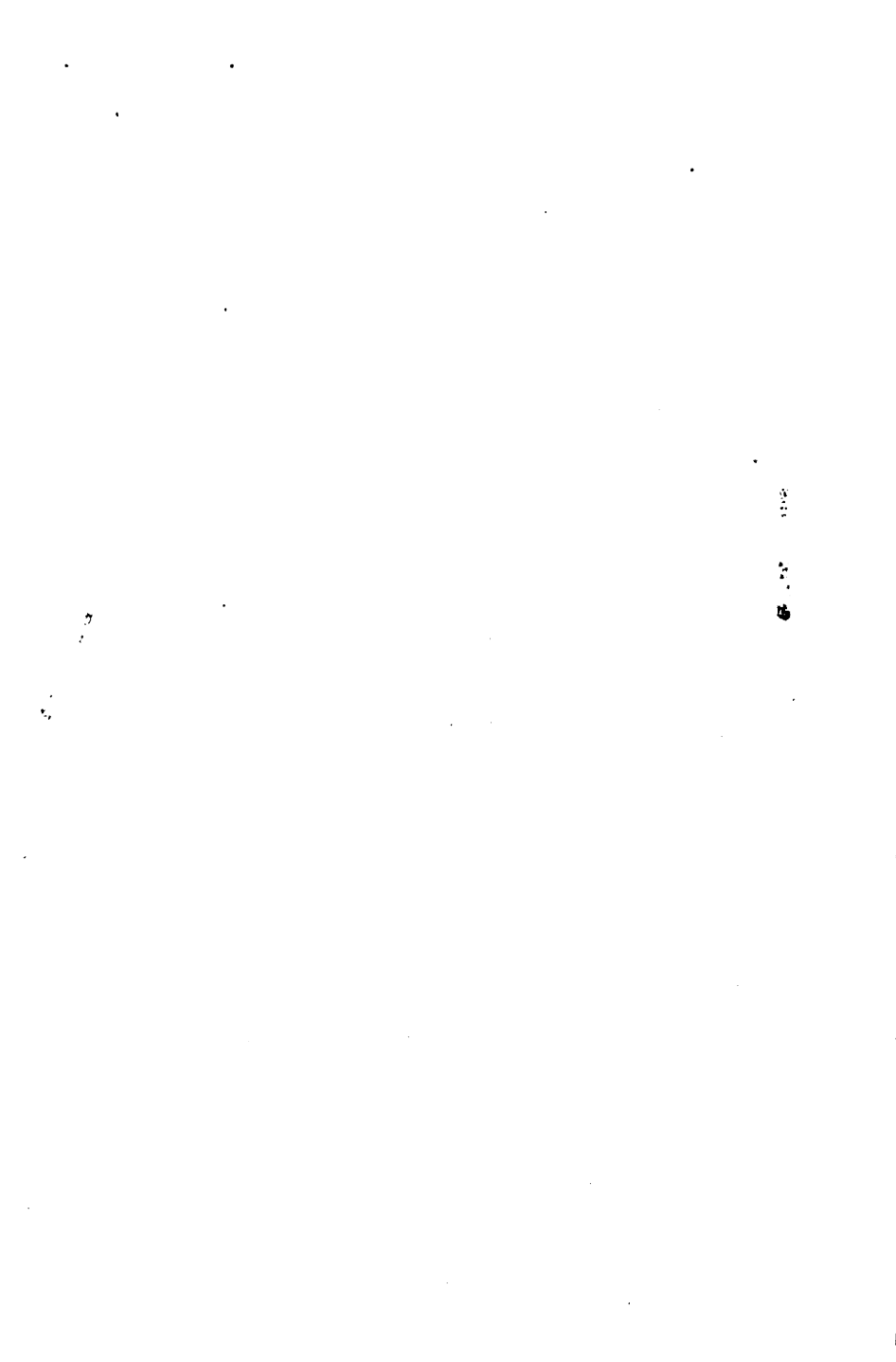
Organized labor demands the closed union shop because it desires a larger voice in the control of industry. The working class do not like to be mere cogs in a machine. They desire to be a live, human part of industry, to be consulted and to have something to say about all the terms and conditions of employment. The closed union shop gives them such a voice.

For this very reason employers, as a rule, are opposed to the closed shop, and demand the open shop, which in actual practice, readily becomes a preferential non-union shop, or a closed non-union shop. Employers as a class want to "run

their own business." They have been greatly annoyed in recent years by arbitrary and often unreasonable demands made by the union in closed shop industries, and they want freedom from such interference.

This is basis of the controversy of the open or closed shop. Both sides are seeking self-interest. Any industry has only a limited margin of profit. The more labor gets the less there is for dividends and management. The closed shop is one of the labor devices to enable it to get a larger share. The open shop is the employers' method of weakening organized labor in its fight.

LAMAR T. BEMAN.



## GENERAL DISCUSSION

### DEFINITIONS OF NATIONAL AND LOCAL UNIONS<sup>1</sup>

Among American trade unionists three types of trade unions are formally recognized—the local, the national, and the international. The typical union includes only members who live and work in one town, and its business is done by vote of all the members, meeting in one place. Sometimes there are subordinate organizations, more or less formal, composed of members employed in single establishments. Such are the “chapels” of the printers, which long antedate any more formal organization of the craft. Such are the “shop meetings” of many other trades. It often happens that workers in a place where no local union of their trade exists attach themselves to the nearest, though they may not be able to take part in its ordinary deliberations. Less often, where a few workers of a trade are gathered, they are organized as a branch of a neighboring local union, which thus assumes a complex character. This method is often adopted by the Brewery Workmen.

The national and the international unions represent only a single type, though the formal distinction between them is carefully made in trade-union literature. The typical national union aspires to control all the workers of its trade in the United States. The international union has locals not only in the United States, but also in Canada, and, in a few cases, in Mexico. It sometimes happens that unions which are recognized as national do not in fact have members outside of a limited territory, and perhaps make no effort for more general extension. For instance, the Cotton Mule Spinners, like several other unions in the cotton industry, are confined to New England, excepting a few local unions in New York. The Northern Mineral Mine workers have apparently no desire to extend beyond the boundaries of Michigan, Minnesota, and Wisconsin.

National and international unions are made up of local un-

<sup>1</sup> U. S. Industrial Commission. 17: xv-xvi. 1901.

ions, which possess more or less complete autonomy, and which join in one way or another in the government of the general body.

In the speech of trade unionists the phrase "local union" is often abbreviated to "local," and this technical usage is frequently employed in the present report. The word "national" is used in this report to include both those unions which call themselves national and those which are distinguished as international.

The great majority of the national trade unions are bound together in the great federal organization, The American Federation of Labor. In one or two instances there are alliances for certain purposes among small numbers of national unions in related trades. The International Typographical Union, the pressmen, and the bookbinders have for some years maintained a "tripartite agreement". Efforts have for some time been making to establish an alliance of the national unions in the metal trades.

Scarcely inferior in importance to The Federation of Labor are the local federations or trade councils, which bind together the local unions of particular cities. Almost every important town has its central organization in which all or most of the local unions of the place meet together by delegates to consider matters of common interest. The local unions of the building trades commonly have federal organizations of their own, called building trades councils, for the consideration of matters of peculiar and common interest to them. Similar local alliances are sometimes formed by unions concerned in other broad departments of industry such as metal working. The present report is devoted primarily to the organization and policy of the national unions, and touches only incidentally upon these highly important but local phenomena.

## RELATIONS OF NATIONAL AND LOCAL UNIONS<sup>1</sup>

In a historical view the local union is the source and spring of the whole labor movement. It was by the alliance of existing local unions for mutual encouragement and support that the great national organizations came into existence. Local

<sup>1</sup> U. S. Industrial Commission. 17: xix-xx. 1901.

unions of stonecutters, of carpenters, of hatters, and of printers had existed for many years before organization on a large scale was seriously attempted. Even nowadays, though labor unions come more with taking thought than formerly, and less as the spontaneous outgrowth of the internal conditions of their trades, it is seldom attempted to build a national union in any other way than by uniting existing locals.

The printers have perhaps the oldest national labor organization existing in the United States. The convention out of which the International Typographical Union has grown was held on December 2, 1850. The national association of the stonecutters may possibly, however, be as old or older. It had an established position and a regularly published official journal by 1857, but the date of its origin is not known. The United Sons of Vulcan, one of the predecessors of the Amalgamated Association of Iron, Steel, and Tin Workers, was formed in 1858, the Iron Molders' Union of North America in 1859, and the National Cigar Makers' Union in 1864.

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Though the local union is historically the primary phenomenon, and the national union is secondary, a very large proportion of the local unions which exist to-day, and a large proportion of those which from day to day come into existence, are in fact, the offspring of national organization. Some of the stronger national unions maintain regular paid organizers, who devote either the whole or some portion of their time to traveling from place to place, encouraging and strengthening existing locals of their trade, and where none exist, establishing them. The work of the organizers commissioned by the American Federation of Labor is cooperation. A considerable share of the money that supports it comes now from local unions which have no national trade organization and which are directly affiliated with the Federation; but these locals are themselves almost exclusively the result of past Federation work, and the new locals, so far as they are to be regarded as their children, are descended from the nationals only a little more remotely. The Federation has over 800 "general organizers" bearing its commission in all parts of the country, and constantly active in the neighborhood of their homes in organizing not the workmen of their own trades only, but those of all trades. These men and women work without payment, except the commissions, ranging from \$5 to \$20, which most national unions offer for the organization of new locals. They

support themselves by the daily labor of their hands. Their organizing work is, therefore confined to their hours of leisure. Until recently the Federation had no money for organizing, except sporadically, by any other means. The great increase of its membership during the last two or three years has changed that. The income has doubled and trebled. The salaries of its officers have not been materially increased, and while there has been an increase of necessary administrative expenses, it has borne no comparison to the increase of receipts. There has remained, therefore, a surplus of many thousand dollars a year applicable to missionary labors. During 1900 the Federation kept in the field upon the average some eight "special organizers" under salary. During 1901 the average number may reach twenty-five. Some of the time of these men is devoted to the settlement of disputes, the supervision of strikes, and other work of maintenance and conservation. Their energies are chiefly directed, however, to bringing the unorganized into the union ranks, and especially to the establishment of new local unions where there has been no organization of the crafts concerned.

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Each local union, even when subordinate to a national organization, is a self-governing unit. Its theoretical relation to the national body is similar to that of one of our States to the United States. The local body has power to do anything which is not specifically forbidden in the national constitution. Rates of wages are, of necessity, matters of local consideration in almost all trades. Hours of labor are also fixed locally, in most trades, according to local conditions. Even the unions which have national laws to limit hours cannot always enforce them in all places, and they are glad to have hours shortened by their locals beyond the national requirement. The regulation of apprenticeship is left by many unions to the locals, and even when national rules are made the locals often make further restrictions. A few national unions fix initiation fees and dues, but in most cases the locals fix them either without any restriction or subject to a maximum limit. Locals levy assessments upon their members, and inflict fines and other forms of discipline. Hardly any restriction is placed upon the power to collect local assessments, except that in a few cases it is forbidden to raise them to support strikes unauthorized by the national officers. In the matter of discipline

there is usually an appeal to the national authorities, and a few unions forbid the imposition of a fine above a certain amount without the approval of the national executive board. In ordinary cases, however, in most organizations, the local unions do what is right in their own eyes.

### CAUSES OF DISPUTES<sup>1</sup>

As indicated in another connection (see p. LI), the number of unions which are able to enforce limitations upon the employment of apprentices is comparatively small. Demands seeking to limit the number of apprentices, to regulate the conditions of their employment, or to prevent the employment of children or young persons on work which men consider as properly falling within their sphere, account for seventy-eight hundredths of 1 per cent. of the total number of disputes. The charge that labor unions try to prevent the introduction of machinery and improved appliances may be well-founded in some instances, but apparently they seldom feel justified in ordering strikes for this purpose. The entire number of establishments affected by strikes regarding the use of machinery during the 20 years covered by the table show only 221; only about one-seventh of 1 per cent. of all causes of strikes.

The remaining causes of strikes are very numerous and it would hardly be profitable, in a summary table, to attempt to sub-divide them into groups. The headings above discussed include the great majority of all causes of strikes; no less than 96 per cent. The 6,075 remaining causes of strikes have to do in most instances with the physical conditions under which labor is performed, the sanitation of shops, the methods of work, the character of food and lodging, when these are furnished by the employer, and the like matters. Several hundred strikes are reported as having been caused by the attempt to prevent employers from violating agreements or breaking away from previously recognized union rules.

It will be seen from this discussion that no less than three-fourths of all strikes are due to the direct desire of working men to improve their condition, either by raising wages, preventing decrease of wages, or reducing hours of labor. All the other innumerable minor causes account for only one-fourth of the entire number of such disputes.

<sup>1</sup> U. S. Industrial Commission. 17: 655. 1901.



## "PRINCIPLE" OF THE OPEN SHOP<sup>1</sup>

"Principle" and "liberty" are fascinating words, but, like religion, they have many meanings. They are so pleasing to the public ear that they are freely used in the advocacy of every cause. The Tsar and his ministers, who hang hundreds of persons in a single day without trial, and bury them by moonlight, talk of "principle" and "liberty" with as much zeal as would the advocates of democracy and equal rights. Nor is this necessarily an evidence of insincerity. People generally think through their interests, not always their individual interest, but through the interests of their social, economic, or political group. The meaning, therefore, of such phrases as "principle" and "liberty" is mainly a matter of interpretation, which depends very largely on the point of view.

When the English middle class wanted the franchise, they became the exponents of the principle of political liberty and democratic representation. Their arguments read very much like the Declaration of Independence; but after they had acquired the suffrage (by the passage of the First Reform Bill) their point of view changed. When the laborers asked for the suffrage, the middle class opposed it on the principle of property rights with as much vigor as their own enfranchisement had been opposed by the aristocracy. Their point of view had changed with the shifting of their interests.

This is as true in the field of economics as in politics and government. Under the leadership of John Bright and Richard Cobden, the English Liberals were the bitterest enemies of the Factory Acts, the most beneficent legislation of the nineteenth century. These very good men opposed, and for many years retarded, the legal limitation of the working day for children in factories as a matter of principle, and in the interests of personal liberty. It interfered with the personal liberty of English manufacturers, who could take children from the poor-house and work them in the factories without limit as to age or hours. The fact that this dwarfed the children, developed decrepitude, ignorance, and a multitude of physical diseases and social vices mattered not. It was a violation of the employer's liberty to conduct his business in his own way,

<sup>1</sup> Gunton. 27: 1-13. July, 1904.

pay such wages and furnish such conditions and make such requirements as he pleased. Men like Richard Cobden and John Bright, and the multitude of really noble men who preached their gospel, were not heartless humbugs; but they honestly advocated what to them was a political principle, the right of every man to do exactly what he pleased with himself and his own. But they interpreted this principle from the point of view of the English manufacturer's interests. They might sympathize with the poor, but any interference to furnish protection against the consequence of these conditions was a violation of human rights, and, therefore, not to be tolerated.

The fallacy of this interpretation of "principle" and "liberty" gradually became clear to society. The interests of civilization demanded that society should impose a limit upon the exactions of manufacturers upon the working women and children. Parliament finally said to the factory masters: You shall not employ children under thirteen years of age more than half a day at a time, and only then on condition that they go to school the other half; and you shall not employ minors and women at night; and you shall not employ women and children continuously more than sixty hours a week.

The hovels in which these working people had been herded were so injurious to health and morals as to be well-nigh pestilential; and the so-called "freedom" was again encroached upon by Parliament by forbidding the use of basements as dwellings and prescribing certain sanitary conditions in houses before laborers were permitted to live in them. This compelled the manufacturers to spend more money on houses for their laborers, and was resented, of course, as an encroachment on their liberty. All this has finally received the endorsement of science and civilization and has proved to be not only consistent with, but an essential part of, the conditions of personal liberty. The fundamental principle of freedom is not that each one should do as he pleases with his own, but that he shall so conduct himself and use his own as not to injure the interests and opportunities of others. The idea that an employer can run his factory as he pleases, when he pleases, and under such sanitary conditions as he pleases, and may treat his laborers as he pleases, is a false notion of freedom. Of course the English manufacturers did not see this; they were not tyrants, but they acted like tyrants. Their seemingly oppressive and

heartless attitude was due entirely to their point of view, they interpreted the principle of personal liberty through their own interests.

Experience, economic science, and social and political philosophy all show that this standard of interpretation of social principle and personal liberty is narrow. The only point of view from which economic and social law and the principle of liberty can be properly interpreted is from the viewpoint of society. From no other can be seen the interests of all the contending groups. Any interpretation of economic and political principle that excludes a large class of the community, is sure to react on the class in whose interest the restrictive policy is adopted. Thus, for example, any policy based on the interests of employers to the exclusion of the interests of the laborers, must ultimately react to the detriment of the employing class, because, in modern society, the success of the business enterprise largely depends upon the welfare of the masses. Anything that hinders the material progress of the mass of wage-earners, is in the nature of things detrimental to the business interests of employers, as reducing the laborers' power to consume destroys the very market upon which the prosperity of employers depends. And, conversely, any policy that injures the profit-making opportunity of capital necessarily reacts upon labor, as destroying the opportunity for profitable enterprise lessens the possibility of employment and makes increasing wages and improved conditions for labor impossible.

The point of view then, from which the open shop question, like all other questions of modern industry, must finally be settled is not alone the interests of laborers, nor the convenience of employers, but the interests of society, which include the interest and welfare of both. No mere abstract proposition regarding freedom is adequate for dealing with the situation. It is a practical proposition that has to do with the daily interests of the laborers on the one hand and the successful management of business on the other. Any adequate consideration of the subject must reckon with the prejudices as well as with the interests and rights of both sides, and no other question of practical economics is more weighted down with prejudice. On the employer's side, there is the prejudice against unions. True, the right of laborers to organize is conceded as a theory, but practically it is denied. No solution of this question can be permanent that does not admit with equal frankness, the

{laborers' right to organize and to act through their organizations, and the capitalists' right to organize and act through their organizations. To dispute this right to either group is to beg the question under consideration. There is not power enough in the courts and government to stop either labor or capital from organizing, for the obvious reason that organization is the inevitable consequence of the natural development of industrial society. Railing against "trusts" may furnish food for a political campaign, but it must ultimately be futile in suppressing corporate development, unless it succeeds in arresting the progress of society. Employers and editors might just as well recognize, once for all, that the task of suppressing labor-unions or preventing them from acting as the bargain-makers for labor is as futile as the fantastical effort to suppress corporations.

This much granted (and without it nothing is worth considering), the question is—does the recognition of unions logically involve the closed shop, and does the open shop logically involve the denial of the right of unions to act for organized labor? In discussing the open shop principle the "Journal of Commerce" quotes from the declaration of the National Association of Clothing Manufacturers, "The closed shop is an un-American institution. The right of every man to sell his labor as he sees fit, and the freedom of every employer to hire such labor, are given by the laws of the land." It then quotes President Eliot of Harvard as saying: "The surrender of personal freedom to an association is almost as great an obstacle to happiness as its loss to a despot or to a ruling class, especially if membership in the association is compelled and the association touches livelihood." The Journal devotes the remainder of its editorial to glorifying and sustaining this declaration:

The labor unions, so far as they insist upon the closed shop as a principle, constitute a class representing certain industries, mostly mechanical, which arrogates to itself the power, denied to the law and the government in every free country. . . . The open shop means the right of men to work at their trade without joining a union, if they so prefer, and the right to hire men whether they belong to a union or not and to give them an equal chance. These rights are fundamental in a land of liberty and law, and their denial is the principle of despotism and not of freedom. Leaders of labor unions fear this kind of liberty as destructive to their organization, just as despotic governments fear personal freedom as destructive of their system.

This is anti-union pleading, not open shop reasoning. It is talking in the abstract, and fails to state the case as it is. The union can make a statement equally plausible in favor of

the closed shop, which the open shop advocates would reject as wholly inadequate because of what lurks behind it. Men like President Eliot of Harvard really believe in freedom, but they are so unfamiliar with the actual working of shop conditions and the real attitude of many employers toward unions, that their reasoning relates to conditions that do not exist. President Eliot is talking of a world in which nobody lives.

To quote the Clothing Manufacturers' declaration that the "closed shop is an un-American institution" is like quoting the Tsar on political freedom.

The clothing manufacturers of this country are pre-eminently those in whose hands the open shop would mean no union. They are the class of manufacturers that represents the sweat-shops in our large cities, against which the union shop is the only effective weapon. No other single force has done so much to compel decency and a modicum of economic fairness in the clothing business as the union. It is well known to the sweat-shop workers and to all who have investigated the conditions of clothing manufacture that, as a class, the clothing manufacturers have introduced economic conditions that are a disgrace to American industry. It is only by desperate closed shop efforts, aided by drastic legislation, that the sweat-shops in our large cities are prevented from being pestilential dens. For years they have been the collectors of the ignorant, squalor-ridden outcasts from Europe. Through a system of contractors, sub-contractors, and employment agents, they have taken the ignorant, poverty-stricken immigrants, whom they have been the means of bringing to this country, and used them like slaves, converting so-called homes into pest-houses, often crowding from ten to twenty persons in a single room, where they eat, sleep, and work. This system has invaded the large cities of both Europe and this country. The only force that has succeeded in partly breaking down this uncivilized, unsanitary, and inhuman, as well as un-American, system has been the indefatigable efforts of the trade union. To refer, therefore, to the clothing manufacturers' high sounding declaration about "freedom" and "un-American" institutions is to flaunt mockery and sham in the faces of the laborers and of the public.

It is just such things that arouse the suspicion of the working men against the good faith of the plea for the open shop. Knowing the history and character of clothing manufacturers from bitter experience, the Garment Markers' Union distrusts

every such sounding phrase as a platitude, and goes to the other extreme. Thus, in a recent article on "The Open Shop in a Nutshell," the editor of the "Weekly Bulletin of the Clothing Trades," says: "The very argument advanced by the employer in favor of the open shop is the strongest reason for the workmen to oppose it. The principle in the abstract means nothing; the conditions under which it is applied mean everything. We are concerned with the liberty that results from certain conditions rather than nominal liberty."

It is true all trades are not as bad off as the clothing trade; all employers are not like sweat-shop manufacturers. The working men can not be expected to look with much confidence or respect upon reasoning of that kind, especially from that source; and when such respectable publications as the "Journal of Commerce" and such honored educators as President Eliot reason in the same way, and declare the union's "opposition to the open shop based upon the distrust of real freedom," they misrepresent the case and aggravate, rather than help to solve, the problem.

On the other hand, for labor leaders to declare that the very fact that employers are in favor of the open shop is the strongest reason for workmen to oppose it, is an equally perverse presentation of the case. It may be true of clothing manufacturers and of some few mean employers, but it is not true of the largest and best employers in the country, and it is untrue as a general argument. As a matter of fact, the unionists can not deny that the closed shop is frequently used as a means of unjustifiable despotism. Take the recent case of the strike of the freight handlers on the Fall River Line. That strike was to force the discharge of an old employee because he did not join the union. There is no evidence that he did anything amiss, but, as in the case of the government printing office, the strikers simply demanded that he should join the union or be discharged. There may be individual cases where the men are justified in refusing to work with an objectionable person. A spy and a tattler, who devotes himself to carrying tales and injuring the men, is an object of contempt; and it is not unreasonable for workmen to refuse to associate with him. But to insist that no man shall be permitted to work, unless he joins the union, could not be endured as a general policy.

This is not a mere abstract principle, but is a practical proposition. Nor is it feasible, as a working rule in any business,

that the union shall control the employment and discharge of men, or the actions of the foreman. Yet, where the closed shop prevails, it is not uncommon to find that they demand that the foreman shall be a member of the union, in some cases that he be appointed by the union. This is taking the management of the business out of the hands of the owner and placing it in the hands of the laborers, which is an impossible policy. It might work in a few instances, but it could never endure as a general policy. It is the abuse of this shop authority that has led to the opposition to the closed shop and the general demand among employers for the open shop. Hitherto there have been too many Sam Parkses in the closed shops. They may not have demanded blackmail in the same bold fashion, but they have used their authority in a similar dictatorial, uneconomic, and often corrupt manner. This is natural. Laborers are human, and can not be trusted with absolute power. They are like politicians; when they get power, they use it in an arbitrary, and frequently in a corrupt manner. The only way to prevent labor leaders from becoming corruptionists and dictatorial "bosses" and blackmailers is to prevent them from having power. Reformers are usually generous and altruistic when under the spell of the reforming spirit; but when they become possessed of arbitrary power they become despots. Freedom can be maintained only by making despotism impossible. Now, the closed shop, in the sense of handing over to the union the absolute power to compel every worker to belong to the union, must, in the nature of things, soon take on the despotic, coercive form. As despots, laborers are just as big tyrants as capitalists. It is only a question of having the power.

On the other hand, the laborers can present some strong reasons for opposing the open shop. They argue, from experience, that if non-union laborers are permitted to work alongside of union laborers, the employers will discriminate against the union men for the sole purpose of breaking the power of the union. Thus, in every possible case, union men will be discharged and non-union men employed, and so finally make the union a disadvantage. In an article on this subject, Henry White states the case of a delegate to the convention of the Citizens' Industrial Association at Chicago last year, who said: "A year or so before the formation of the alliance, I had 297 union men. Now I have 6. And before long I hope to have, not an open shop, but a closed shop—closed against

the union." With this spirit and practice among employers, the laborers' only defense is the closed shop. This kind of warfare makes some kind of closed shop unavoidable—closed against non-union men, or closed against union men.

The employers are justified in regarding the closed or union shop, at present conducted, as something to be resisted, and the laborers might as well recognize the fact that it will be resisted. On the other hand, so long as employers use the open shop merely to make a closed shop against unions, they may take it for granted that they will have a fight on their hands. The closed shop against union men is as impossible as is the closed shop against non-union men. Unions are as inevitable as corporations and the true way to avoid the tyranny of the closed shop is to deal with the unions in good faith. Yet, so long as the unions insist upon dictating the management of the business affairs of the employer and coercing men into their union, they will receive the opposition of employers and distrust of the public.

As already remarked, this is not an abstract, but a practical question. All practical questions, if properly solved, must be solved consistently with sound principle. The principle involved in this question is one of freedom—not the freedom of the employer to do as he likes with his own and conduct his shop just as he pleases, regardless of the interests of the laborers or the public; nor the freedom of the union to do just what it pleases, merely because it has the power, regardless of the interest of the non-unionists or the employers. The principle of liberty involved here is the same as that which underlies all free society—that the employers must have the liberty to organize their industry and conduct their business consistently with the rights of other people. So far as the general conditions of the work-shop are concerned, it is a matter of public interest that they should not be inimical to the health, morality, and welfare of those employed. So far as buying their material, selling their products, hiring their labor, and organizing their industry, and, in short, managing their business, are concerned, they must have the liberty to do it un-coerced.

The laborers' side of the problem is to contract for the sale of their services and the personal treatment by the employers. In doing this they must have the same freedom to act individually or collectively as they have to buy hats or to cast their ballots on election day. In organizing for that purpose,



they must be under no actual or implied disadvantage. So long as this right is interfered with, directly or indirectly, the laborer's freedom is interfered with, he is coerced, and a state of distrust and war may be expected.

In forming organizations and conducting them, the laborers have absolutely no right to use any other than moral force. To use coercion to build up an organization is as indefensible as it is to use coercion or corruption in politics. It is useless for anybody to deny that unions use coercion, because it is well known that they do; and before they can hope to get the fair treatment and full recognition they demand, they must give up coercive methods as a means of organizing their unions and enforcing their demands. There is no economic or moral objection to the union shop, provided the method of unionizing the shop is free from coercion. For instance, if all the laborers in a factory were willing to join the union there could be no economic moral reason for objection; but if a laborer is tired of the union, or fails to pay his dues, or for any other reason declines to be a member, there is no principle of economics, ethics, or expediency that justifies the union in forcing him back into its ranks. To inaugurate a strike to compel his discharge, is despotic and brutal and will never be approved by the public or tolerated by employers. Union membership must be voluntary. There should be as much freedom to join and leave as there is in the membership of a church or of a social club.

Whenever a union is established in a shop, it should be recognized by the employers in all cases of bargaining about wages, or other interests of the laborers. If a dispute arises, a representative of the union should be recognized as spokesman for all those who belong to the union. If the non-union laborers do not agree with the decision and refuse to go out, which is very seldom, of course, they must be left free to act on their own decision, with the same freedom that the union has. In most cases, the union will be right in its demands, especially if no unprincipled walking-delegate has the power to decide the matter, and perhaps ninety per cent. of non-union men will agree with it, as they nearly always do. In such case, the union men must not be discriminated against, if the struggle is lost, or because they were more active in making the demands.

Here is where much of the evil really arises. The employers have all too frequently discriminated against those who make

the demands, refusing to take them back. They do this on the plea that they have the right to employ whom they please, which is true; but so long as they make membership in a union or prominence in presenting demands an offense, the union has a plausible reason for adopting means of protecting its members. If union men are to be discriminated against in favor of non-union men, it is only human that they should have recourse to similar unfair means to make non-union men impossible.

All considerations of economic justice and of personal freedom for employers to conduct their business, and for laborers to defend their rights, demand that the open shop shall be maintained. If employers want the open shop, they must treat the unions honorably and fairly and in good faith; and if the unions want such recognition, they must establish voluntary membership in organizations. So long as employers discriminate against unions, the closed shop will be demanded; and so long as unions use coercion to build up their organizations, the open shop will be demanded and the union distrusted.

While the open shop is obviously a practical question, it must ultimately be solved on a basis consistent with the principle of personal liberty for all—liberty of union men to act through their union without hindrance or discrimination, liberty for non-union men to act individually without hindrance or discrimination, and the liberty of employers to organize, and conduct the management of their business without interference. So long as these rights are denied, and either side insists on dictating to the other, the war of the open against the closed shop will continue.

## CLOSED SHOP VERSUS OPEN SHOP<sup>1</sup>

The increasing activity of trade unions in pressing their claims for recognition at the present time is resulting in a renewal of the discussion of the merits of the closed shop versus the open shop. The campaign against the closed shop was so successful in certain industries a dozen or more years ago that the movement itself seems to have lost momentum because of its success. Just now, with unprecedented demands for all grades

<sup>1</sup> H. E. Hoagland. *American Economic Review*. 8:752-62. December, 1918.

and classes of labor, the workers seem to have regained a part of their lost bargaining power and to have been placed, temporarily at least, in a position to again demand recognition from those employers who for a generation have refused to meet with the representatives of organized labor. Hence the reappearance of the arguments for and against the closed shop.

For the most part this discussion is conducted by employers or their representatives, and is therefore stated in the terminology common to that group. But even when the press and the public give attention to the question, we are accustomed to accept the employers' definitions of the terms open shop and closed shop, apparently without stopping to inquire whether or not they are correct. We ignore labor's substitute terms which, although admittedly biased and unrepresentative, should at least be given consideration. If we are to be the impartial third party to industrial disputes, should we not learn how much truth there is in the contentions of each of the two other parties and, if necessary, adopt new terms which are representative and which are accurately descriptive? It is in the hope of contributing to this end that the writer has made the following analysis. In each case he has sought the expressions of the recognized leaders of both labor and capital in order that he may present the views of both parties fairly. Whether or not the conclusions of this article are accepted, it is high time to give attention to the facts upon which these conclusions are based in order to find some classification of terms which will be fair to both capital and labor and intelligible to the public.

First, what are the facts to be considered? Whatever definitions we give to the terms open shop and closed shop we agree that we are trying to describe the relationship of trade unionism to industry. Perhaps the reason we do not agree upon definitions is that this relationship is too complex to be fully described by two simple terms. Some of these conditions are as follows:

1. There is the shop which chooses to employ none but union members because the employer believes that the union can supply him with more efficient workmen than he can secure in any other manner.

2. Then there is the shop which employs none but union members because the employer fears to incur enmity of the labor organization to which his workmen belong.

In both of these cases the employer sooner or later establishes or accepts a definite policy of employing only union

members and incorporates this policy into an agreement with the union.

3. Other employers, while agreeing with the union upon the terms of the labor contract, refuse to concede the exclusive employment of union members. Such employers may concede a definite percentage, may show a preference for union men when other considerations are approximately equal (which may result in a shop with 100 per cent. union membership), or may exercise a preference for non-union men though employing them at union terms.

4. Some employers, through necessity, deal with their workmen only as individuals. This may be either because the workmen have no union or, if they have, because it is weak and unrepresentative of employees in that class of work.

5. Still others, through choice, insist upon dealing with workmen only as individuals, yet do not refuse absolutely to hire union members. Employers in this group are not indifferent to unionism but rather pursue a watchful policy, using means to weaken its union when the membership in the shop becomes threatening and ignoring the organization entirely when its representation in the shop is too small to cause concern.

6. Then there are employers who not only refuse to deal with unions but who will not knowingly employ workmen who are union members. They will even dismiss employees immediately upon learning that they are members of a labor organization.

7. Finally, the unions themselves occasionally introduce further complications by refusing to permit their members to work in shops on strike or in shops declared unfair for any other reason.

Even such a classification does not exhaust the possibilities for confusion in the popular discussions of open shop versus closed shop. For while it is popularly assumed that all unions pursue the same policy with respect to the degree of control they exercise over the supply of men in their trades, such is not the case. Some unions have no apprenticeship regulations and only nominal initiation fees. They admit, without prejudice, any workman who can demonstrate his ability to perform the duties required in the trade. Other unions restrict their membership by refusing to admit qualified workmen except upon payment of extortionate initiation fees which amount in their operation to an effective obstacle to union membership. This in

turn may mean at times an equally effective bar to employment at that peculiar trade. Still other unions limit the recruits to their trades by arbitrary apprenticeship ratios which are governed, more or less, by the needs of the trade, but which operate to maintain a monopoly of labor for the particular union members involved. Finally, some unions carry the restriction of apprentices to the extreme of limiting learners in the trade to the sons of union members.

These facts indicate the complexity of the problem of union relationship to industry. Yet how different is the interpretation often given to a discussion of this problem. The very attempt to simplify a complex situation often results in the omission of important considerations. That this is true of the question of open shop versus closed shop will be made clear by the following analysis.

From the employers' point of view, the closed shop is a "monopoly in favor of the particular members of the union which is a party to the closed shop agreement": not a "real monopoly" but one which is artificial and arbitrary because "outside its ranks there is a large supply of labor seeking employment, and it can maintain its monopoly only by preventing this potential supply from reaching its natural market and coming in contact with the correlative demand of the employer. . . . This prevention is accomplished in one way and in one way only—by the use of force and coercion in one form or another, either to keep the outsider from accepting employment or to keep the employer from accepting his services."<sup>1</sup>

Any employer who resists the demand for a closed shop "is said to have an open shop"; a shop which "is free to all, to the union man as well as the non-union man."<sup>2</sup>

Trade unionists, on the contrary, claim that "there is no closed shop." "When confronted by persons who persist in speaking, in private and public, of the 'closed shop,' the trade unionists recognize by that sign that they are dealing with an enemy, employing the verbal ammunition of an enemy, distorting facts as an enemy, and without having the manliness and candor of a courageous enemy."<sup>3</sup> Open shops, according to trade

<sup>1</sup> Walter Drew, "Closed Shop Unionism," in Bulletin no. 16, National Association of Manufacturers, p. 4-5.

<sup>2</sup> W. H. Pfahler, in American Economic Association Publications, Third Series, vol. 4. p. 183, 186.

<sup>3</sup> Samuel Gompers, in *American Federationist*, vol. 18, p. 118.

unionists, "are in fact closed shops against union men and women."<sup>4</sup> Or again, "In reality the open shop means only the open door through which the union man goes out and the non-union man comes in to take his place."<sup>5</sup>

For the most part economic writers have adopted the employers' definitions of open and closed shop, without stopping to inquire whether or not there may be situations not covered by these two terms.<sup>6</sup> Others, looking a little farther into industrial relations, nevertheless use the one term, open shop, to describe any one of the following conditions: (1) A shop in which "union men or non-union men are hired indifferently"; (2) a shop "entirely filled with union men"; (3) a shop "open only to non-union men."<sup>7</sup> No account is taken of the shops which could properly be classified under neither open shop as here defined or the employers' definition of closed shop.

Other writers, more careful of their terminology, accept the employers' definition of open shop but give a new name to the condition described by the trade unionists as an open shop in practice.<sup>8</sup> In a few instances attempts at a more exact classification have been made by economic writers. Professor Commons has made one such classification which meets some of the objections stated above. He says:

The closed shop would be one viewed from the side of the contract, and would be designated as one which would be closed against the non-unionist by a formal agreement with the union; the open shop as one, where, as far as the agreement is concerned, the employer is free to hire union or non-union men; the union shop as one where, irrespective of the agreement, the employer as a matter of fact, has only union men. Thus an open shop, according to agreement, might be in practice a union shop, a mixed shop or even a non-union shop. The closed shop would, of course, be a union shop, but the union shop might be either closed or open.<sup>9</sup>

Marcus M. Marks has made a more minute classification in which, apparently, he has attempted to include all possible conditions of industrial relationship between labor and capital. His

<sup>4</sup> W. E. Bryan, in *American Federationist*, vol. 19, p. 321.

<sup>5</sup> Clarence Darrow, quoted in *Current Literature*, vol. 51, p. 654.

<sup>6</sup> For example, Professor Taussig, after discussing the closed shop says, "The alternative is the open shop in which the employers deal with their laborers individually, or at least deal with them irrespective of their being members of the union." *Principles of Economics*, vol. II, p. 269. Most writers of economic texts follow Taussig in this classification.

<sup>7</sup> C. W. Eliot, *Future of Trade Unionism and Capitalism*, p. 62-63.

<sup>8</sup> F. T. Carlton, *History and Problems of Organized Labor*, p. 122, defines open shop as follows: "An open shop is one in which union and non-union men work, or may work, side by side. No discrimination is practiced against union or non-union men." Professor Carlton then divides other shops into anti-union shops closed to union men, closed shops with open unions, and closed shops with closed unions.

<sup>9</sup> *Labor and Administration*, p. 89-90.

definitions are as follows: (1) The anti-union shop where the employer is "emphatically and frankly opposed" to the organization of his workmen. He will not knowingly employ a union man and will discharge those who join unions at any time. (2) The shop which is open because there is no union for the workmen to join. (3) The "typical open shop" where the employer is indifferent, neutral, or even friendly toward the union but will not grant it an agreement. Neither does he discriminate against union members. (4) The open shop which employs both union and non-union workmen but where the union either signs an agreement with the employer or reaches a mutually satisfactory understanding with him. (5) The union shop, all of whose workmen are union men though the employer may not even know of the existence of the union. At any rate he does not grant it recognition. (6) The closed shop with the open union. The employer is free to hire whomsoever he chooses provided they join the union at once. The union of course receives recognition. (7) The closed shop with the closed union. New workmen are obtained only by application to the business agent of the union and if an employe loses standing with the union the employer agrees to discharge him upon the request of the union.<sup>10</sup>

But why call a shop "open" if the employer deliberately hires none but non-union men? Or why speak of a union shop if the workers therein give so little attention to their organization that the employer does not even know of its existence? And surely there is a very great difference between the "open shop" which refuses to recognize the union and the one which, while hiring non-union men as well as union men, gives the union a voice in the determination of the conditions under which its members work.

Furthermore, we are accustomed to think of the open shop as the typically American, man-to-man method of agreement upon the terms of the labor contract. We picture the individual employer discussing with the individual workman the job in question, each trying to drive a good bargain in typical American fashion. But open shop, so-called, is often established, not by the action of an individual employer, but by the decision of an employers' association, some of whose members may even be

<sup>10</sup> *Independent*. May 26, 1910. Even such a detailed classification is not exhaustive for it makes no mention, for example, of the shops closed to union men by the union itself.

enjoined by court action from exercising their individual wills in determining relations with their employees, without suffering severe indemnities to the association.

Frequently, the employers' association supplies individual contracts to its members with instructions not to hire any workmen who refuse to sign them. A typical contract of this nature reads as follows:

I, the undersigned, in consideration of the signing of a protection agreement . . . do hereby agree as part of the consideration thereof:

I shall not directly or indirectly counsel, advise, participate or aid in the declaration of any strike against the business of any present or future member of said Association, nor in the establishment or continuance thereof, nor in any measure, financial or otherwise, designed to make it effective. . . .<sup>11</sup>

A part of such individual contract or a supplementary contract may even go farther in limiting the activity of the individual worker. In the case cited above one form of contract, supplied to the employers by the association with instructions to require every employee to sign it, read in part as follows: "You represent to us that you are not a union man and agree not to hereafter join any union without our written consent."<sup>12</sup>

Very often too the practice of open-shop employers' associations in maintaining permanent employment bureaus or agencies creates an effective bar to the active union man. In speaking of the requirements of an applicant seeking employment through such a bureau one writer who is in sympathy with the method says:

He is required to give a complete record of himself, including the reasons why he left the shops where he was formerly employed. All the facts about him are put on a card which is kept in permanent card catalogue. The secretary of the agency makes an investigation of the man's record. . . . In this way the employers find out who the disturbers are, and they are kept out of the shops.<sup>13</sup>

These examples could be multiplied many times to show that the open shop is not always free to all, the unionist as well as the non-unionist; and that on the other hand the closed shop is not always kept closed by the use of force or some form of coercion. Neither is it true that all shops recognizing the union are kept open by the union nor that all open shops are closed to union members. It appears quite clear, therefore,

<sup>11</sup> H. E. Hoagland. *Collective Bargaining in the Lithographic Industry*. p. 95-6.

<sup>12</sup> *Ibid.* p. 96.

<sup>13</sup> J. F. Marcossion, in *World's Work*, vol. II, p. 6963.



that we must reject the classification of open shop and closed shop if we are really desirous of finding names which are accurately descriptive.

In the early history of unionism in this country the terms open shop and closed shop were not used. Then shops were either "union" or "non-union": union if the organization had a voice in establishing working conditions; non-union if it did not.<sup>14</sup> Occasionally non-union shops were designated as scab or rat shops if the employer kept union men out. For the most part union shops were open to non-unionists as well as to union members for the unions of those early days had a naïve idea that they could legislate for the entire trade, whether or not they controlled the supply of labor in the trade.

Gradually the unions learned the necessity of bringing pressure to bear upon recalcitrant employers and hence they began to refuse to permit their members to work in shops on strike. The "closed" shop was one closed to union members.<sup>15</sup> It became an "open" shop when the union declared the strike off and permitted its members to return to work. Somewhat later the union, upon winning a strike, stipulated in the terms of peace that the shop be closed to non-unionists. The employers seized this conception of closed shop unionism and have since made it the chief point of attack in their anti-union propaganda.

The publicity given to the open shop movement of the past fifteen years has made it appear that there are but two kinds of shops to be considered: the closed shop which keeps out the non-union workman, and all others, collectively called open shops.<sup>16</sup> At the time the terms were first used they may have been not far from accurate in their description of existing conditions. But certainly since that time the methods used by some of the so-called open shop employers' associations have made necessary a new classification of terms to fit present conditions. The Federal Commission on Industrial Relations has recognized this need and it is interesting to note that the *one* resolution which the commission adopted by unanimous vote read as follows:

Whereas the commission finds that the terms "open shop" and "closed shop" have each a double meaning, and should never be used without

<sup>14</sup> I. F. Stockton, *Closed Shop in American Trade Unions*. p. 14.

<sup>15</sup> *Ibid.* p. 14.

<sup>16</sup> The open-shop movement has attained such proportions that open-shop schools and open-shop employment bureaus are very common. Open-shop literature is voluminous in amount. We even hear of Los Angeles and Washington as model open-shop cities.

telling which meaning is intended, the double meaning consisting in that they may mean either union or non-union: Therefore, for the purposes of this report, be it

*Resolved*, That the Commission on Industrial Relations will not use the terms "open shop" and "closed shop," but in lieu thereof will use "union shop" and "non-union shop."

The union shop is a shop where the wages, the hours of labor, and the general conditions of employment are fixed by a joint agreement between the employer and trade union.

The non-union shop is one where no joint agreement exists, and where the wages, the hours of labor, and the general conditions of employment are fixed by the employer without cooperation with any trade union.<sup>17</sup>

This distinction is essentially that made by trade unionists themselves. In a recent editorial in the *American Federationist* Mr Gompers outlines the case as follows:

When an employer forms a treaty with the union, formal or tacit, his shop is union, even if the union consents for the time being not to disturb any non-union men among the employees. If the employer will not treat with the union or pay the union scale, his shop is non-union though among its employees may be union members. The deciding point as to whether a force of employees is union or non-union is the employer's actual recognition of union regulations.<sup>18</sup>

Are not the terms union shop and non-union shop more accurately descriptive than the terms open shop and closed shop? It is not the *presence* of union members in a shop that is important but rather their *activity* in securing or demanding a voice in the determination of the conditions under which they work.

Should we adopt this classification, there would be two sets of distinctions to be kept in mind. First, that between the union shop and the non-union shop: the union shop being one in which the union is a party to the wage bargain and the non-union shop being one in which the employer refuses to deal with labor in its collective capacity. Thus far we accept the classification suggested by the trade unionists. But there is a second distinction, equally important, which the trade unionists are not so ready to admit. The union shop may be either closed or open. Most unions accept the principle at least of the closed union shop. Whether or not they insist upon its enforcement depends upon expediency. In a few instances, notably in the transportation industry, open union shop seems to operate fairly successfully. Here the whole competitive field is covered by the agreement. The association of employers and the union fix, by joint action, the terms of employment for every position within this field, whether occupied by union members or non-

<sup>17</sup> *Final Report*. p. 265.

<sup>18</sup> *American Federationist*, vol. 17, p. 885.

unionists. The conditions essential to the success of the open union shop are: (1) The presence of a strong and well disciplined organization on each side; (2) the same scale of work and wages for both unionist and non-unionists; and (3) the settlement of all complaints, whether affecting union members or other workmen, by joint action of representatives of the union and the employers' association. In other words the union must act as the agent of all workers and must be protected from undercutting by non-members.

The non-union shop may also be, temporarily at least, either open or closed. If the employer does not fear the growth of unionism, he may not discriminate against union members in hiring workmen, even though he refuses to deal with them as such. On the other hand the employer may choose to keep union members out of his shop. In this case it seems that the only proper term to apply is closed non-union shop.<sup>19</sup> The employer is generally opposed to the closed union shop and almost never grants it voluntarily. When he is forced to grant such terms to the union he often considers the agreement merely a truce to be broken when opportunity offers. The temporary locus of the balance of advantage determines whether or not closed union shop shall operate. In many instances prosperous times bring closed union shop agreements. In succeeding dull periods the aggressive union members are dismissed and the remainder give up their affiliation in return for the retention of their jobs.

In passing judgment upon the closed union shop we should distinguish carefully between the closed union shop maintained by the open union and that maintained by the closed union. Obtaining membership in an open union is analogous to securing citizenship papers in a democracy. In both no groups are excluded except those whose members cannot attain the standards set for the entire organization. In each case individuals are excluded whose past conduct has been inimical to the welfare of the group. And in both the democracy and the open union qualified applicants for membership are admitted as soon as they satisfy the minimum requirements of admission. The

<sup>19</sup> The same name would necessarily be applied, of course, to the shop which is temporarily closed to union members by the union itself on account of strike or other disagreement with the employer. However, these cases are relatively rare and can be described when necessary by a statement of the conditions surrounding them.

closed union shop maintained by the open union has many supporters among economists and other members of the so-called third party to industrial disputes.<sup>20</sup>

Closed union shop maintained by a closed union, on the other hand, is wholly indefensible from the standpoint of social judgment. It operates for the benefit of the few and those few not always the most competent or the most deserving. Trade unionists themselves recognize the indefensibility of such a situation and for the most part deny the existence of the closed union. It is undoubtedly true that the practice of patrimony to keep down the numbers in a trade and the maintenance of prohibitive initiation fees or other artificial restrictions upon the entrance of competent workmen into a given industry are losing ground among union leaders themselves.

Likewise the closed non-union shop is equally indefensible unless we insist upon a very narrow interpretation of the sacredness of private property and the right of its owner to do with it as he wills. The spy systems used by some employers not only drive out of employment the trouble making agitator, but they keep all workmen in a state of mind which can hardly be described as fitting for liberty loving citizens of a free country. Employers agree that the closed non-union shop is indefensible. At least they are accustomed to deny its existence. It has been a very effective weapon in the hands of employers who have wished to establish what they have called open shop. It is harder to detect than the closed shop maintained by the closed union for its success depends to a large extent upon its secrecy, other pretexts being used as excuses for the dismissal of active union members.

Open shops, whether union or non-union, are essentially unstable.<sup>21</sup> The union employees continually attempt to organize the non-union workers and to establish closed union shop. The employer is equally anxious to prevent the complete unionization of his shop and will often resort to dismissal of active unionists if their activity seems to promise success.

<sup>20</sup> Professor Seligman, for example, after expressing himself as favorable to trade unions, says that unless the condition described here as closed union shop is maintained, the union itself will often cease to exist. *Principles of Economics*. p. 441. Professor Fetter, on the other hand, opposes closed union shop in any case and relies upon public sympathy to secure for labor higher wages when necessary. *Principles of Economics*. p. 250.

<sup>21</sup> The transportation industry is apparently an exception to this rule for the reasons given above.

In conclusion, the writer believes that because our present use of the terms open shop and closed shop is misleading and is not accurately descriptive of industrial relations in modern industry, we should eliminate these terms from economic discussions. As substitute terms we should adopt union shop to describe the establishment in which the union is a party to the wage bargain and non-union shop to describe the establishment which refuses to deal with labor organizations. The closed union shop would then correspond to what is now called the closed shop. While to avoid the confusion which arises under the present use of the term open shop, we would use three terms, open union shop, open non-union shop, and closed non-union shop, according to the degree of recognition given the union by the employer and the extent of his efforts to keep union members out of his establishment.

### THE OPEN VERSUS THE CLOSED SHOP<sup>1</sup>

The first essential in this discussion is a definition of terms. By closed shop I understand an establishment in which only union members are employed in those occupations in which unions exist. By an open shop I understand an establishment in which membership or non-membership in a union is not considered either in the employment or the discharge of workers. In an open shop no preference is indicated for union or non-union employees. The greatest difficulty in this whole matter is that many establishments are advertised as "open shop" in which union members are not allowed or are tolerated only on condition that they remain inactive in relation to labor organization.

To be accurate, we must recognize, not two, but five different kinds of "shops," with reference to their attitude toward trade unions:

1. The closed shop—exclusively union.
2. The preferential (union) shop—union members receiving preference in employment and layoff.
3. The preferential non-union shop—union members admitted in small numbers and restrained from organization activity.
4. The non-union shop—no union members employed; often

<sup>1</sup> Rev. F. Ernest Johnson, Research Secretary, Federal Council of the Churches of Christ in America. *Industry*. 2:10. October 1, 1920.

falsely called "open shop"; more appropriately called "employers' closed shop."

5. The open shop—no preference shown.

If the term "open shop" is used in the strict and original sense I am in hearty accord with the statement which INDUSTRY has been promulgating: "The open shop gives all workers, regardless of race, color, politics, religion or fraternal affiliations, a chance to work side by side." The true open shop not only represents the sounder industrial policy, but is ethically right. Coercion in the matter of union membership is undemocratic and intolerable whether it comes from one side or the other. It is a mistake, however, to add that the constitution guarantees freedom in this matter. The constitution is silent on the subject and I know of no provision in it which could be so interpreted. We are dependent, rather, upon our sense of justice.

It is frequently claimed that ultimately the only alternative to a non-union shop is a closed shop, since labor will insist on control wherever it is allowed a free hand in organizing. This might have been claimed with some reason prior to the President's First Industrial Conference of last year. In that conference, however, as has been publicly related, the labor group, which represented organized labor in a thoroughly official way, definitely agreed to abandon the "closed shop" principle in return for the mere right on the part of the unions to represent their constituency in bargaining with employers. The employers refused all concessions, however, and for that reason the closed shop issue continues to be raised. It seems sufficiently clear that the main contention of organized labor is not against the open shop but against the non-union shop and what I have called the preferential non-union shop. The strong opposition to the open shop as characterized by INDUSTRY comes from employers who insist on preventing their workers from organizing.

The prevailing philosophy among employers is still, I should say, individualistic to the point of insistence upon the employer's right to run his shop in his own way. In politics that philosophy has given place, at least in theory, to democracy. From the point of view of Christian ethics it is discredited also as applied to industry. The most ardent believer in labor rights might well hesitate to say that the workers in every industrial establishment should be unionized. There

are many establishments in which all attempts at unionization would be thwarted by the workers themselves. But by what reason is the right of this particular group to remain out of the union respected and advertised while the right of another group to affiliate is denied? A principle that is valid works in all directions. If democracy is to be taken at all seriously the ethical obligation of the employer would seem to be clear; he must give his workers freedom to choose their form of organization, stipulating only that as he refrains from coercing them so they must avoid coercing their fellow employees. If he dislikes or distrusts the union he has one very simple course open to him—he may undertake to offer his employees an alternative with which they will be better satisfied. But if he chooses for them, and tries to impose his will upon them he is to that extent an autocrat and the present currents of industrial life are likely to presently sweep him aside.

Ethical consistency demands that labor unions clamoring for the closed shop and employers maintaining shops closed against the union should fall under the same condemnation. Where judgment is not thus impartially given labor naturally denounces the advocacy of the "open shop" as fraudulent and pernicious.

### THE OPEN SHOP<sup>1</sup>

When William H. Barr, President of the National Founders' Association, describes the progress of the open-shop campaign as "a stimulant to the patriotism of every one," he is dealing in snivelling hypocrisy at a time when honesty and frankness in all economic matters were never more necessary.

The champions of the open shop are not actuated by any patriotic impulse whatever. They believe that the open shop is more profitable to themselves than the closed shop and that to destroy the unions would put money in their pockets. That is all there is to the controversy. The open shop advocates wear a mask of patriotism because they are afraid to meet the economic issue.

A nation-wide campaign has been inaugurated against organized labor. The plans were all laid during the Presidential contest, and the Harding majority was interpreted as evidence that public opinion has swung wholly to the side of reaction.

<sup>1</sup> Editorial. *New York World*. November 19, 1920.

Associations of manufacturers and their professional walking delegates have been boasting that the Harding administration would be an open shop administration, and, curiously enough, union labor helped to furnish the votes that provided the Harding majority.

Undoubtedly public sentiment is not at the present over-friendly to organized labor, and organized labor itself is largely to blame. To say that it has behaved badly during the last two years is to state the case with extreme moderation. In many industries it has been a bold and shameless profiteer, arbitrarily raising wages beyond any reasonable limit and deliberately stifling production. In other instances it has followed such corrupt and venal leadership as the Lockwood committee investigation has disclosed in the building trades of New York, where crooked labor bosses were in partnership with crooked contractors to plunder builders and rent-payers.

It cannot be said that all organized labor has abused its power, but there has been enough of it to create a strong popular prejudice against the unions. The attitude of many of the labor leaders has been the old familiar public-be-damned attitude that Wall Street used to assume before it learned its lesson, and the open-shop propagandists are now engaged in capitalizing for their own pockets the public reaction against trades-union despotism.

As a matter of principle, there is much to be said in favor of the open shop, but we should prefer to have it come from the non-union men themselves. The organized employer advocates of the open shop are not concerned at all with principle, however vociferously they profess to be. What they want is a labor market in which they can dictate wages, hours of employment and working conditions, regardless of the social consequences of such economic tyranny. They want to treat labor as part of the raw materials of their factories, to be bought at their own price and used as they see fit. That is all there is to the organized campaign in behalf of the open shop, which increases in confidence as industrial conditions become more unsettled.

The attitude of its advocates is well illustrated by further remarks of the President of the National Founders' Association when he demanded the "complete elimination" of the labor clauses from the covenant of the League of Nations. As it happens, these clauses are not part of the covenant: they



are part of the treaty of peace, and they represent the most enlightened thought of the world in regard to the international relations of labor. Nothing could better define the real aims of the open shop propaganda than its avowed antagonism to the labor section of the Treaty of Versailles.

An organized and well-financed open shop campaign can create a great deal of industrial trouble in the United States and add immeasurably to the difficulties of reconstruction, but it will never succeed except by wrecking the industrial fabric of the country, because there is no real honesty and sincerity back of it. There is nothing back of it but greed and sordidness, and in the long run greed and sordidness cannot dictate the economic policies of the American people.

### "OPEN" SHOPS AND OTHERS <sup>1</sup>

The industrial platform of the Chamber of Commerce of the United States adopted by almost a unanimous vote is an assertion of the employer's position rather than a very substantial contribution to the solution of real problems in industrial relationships. It is interesting to note that the largest negative vote—54, against an affirmative vote of 1568—was cast on the question of "outside" representation of labor. The platform's ninth "principle" embodying it reads:—

When, in the establishment or adjustment of employment relations, the employer and his employes do not deal individually, but by mutual consent, such dealing is conducted by either party through representatives, it is proper for the other party to ask that these representatives shall not be chosen or controlled by, or in such dealing in any degree represent, any outside group or interest in the question at issue.

This seems to be a declaration for the "shop" union, as against the affiliated union; that is, for an interpretation of collective bargaining in sharp contrast with that of organized labor in general, of many publicists and of the second national industrial conference. It is a decided modification of the "principle" in favor of "adequate means satisfactory both to the employer and his employes, and voluntarily agreed to by them," for discussion and adjustment of employment relations.

The platform's definition of open shop operation—"the right of employer and employe to enter into and determine the conditions of employment relations with each other"—leaves

<sup>1</sup> Editorial, Springfield (Mass.) *Republican*. August 4, 1920.

something to be desired. Some economists, indeed, as well as some labor leaders, deplore the use of the terms "closed shop" and "open shop," as misleading, preferring to speak of union and non-union shops, meaning by the former term shops in which labor unions are consulted, or bargained with, in respect to wages, hours, etc., and by the latter those in which the union is not recognized.

These terms can be divided into open and closed union shops, in the latter of which only union members are admitted, and open and closed non-union shops, in the latter of which no union members are admitted. Again there are closed union shops with open unions, admitting applicants freely upon conformity with simple requirements, and closed union shops with closed unions, or unions which admit to membership under conditions that are practically prohibitive. Little ingenuity is required to conceive of other variations, and quite as important is the fact that circumstances alter cases so that nominal shop conditions are often unlike the real conditions, while in many shops conditions are constantly changing as the union or non-union influences vary in strength.

The tendency of a union shop is toward becoming practically a closed union shop, or closed shop, as the term is often employed. Given recognition of the union and agreement upon wage scales and working conditions affecting all the employes of the trade within the establishment, it is easy to see that the non-union employe becomes a beneficiary of an organization to which he is not a contributor. The lines of least resistance would ordinarily lead him to join the union, if it were "open," as most unions are. A concerted fight of employers against the closed shop, under such circumstances, is regarded by labor leaders as really a fight against the union itself—a fight for a non-union shop, which may or may not be "closed."

Labor unionism has passed beyond the point where the issue can be regarded as sharply cut between unionism and non-unionism. The conflict is rather over possible abuses of a generally accepted principle or unjustified resistance to its application. Revolutionary labor theories of the irreconcilable quality of the relationships of employer and employe, and old-fashioned resistance by employers to the organization of employes in affiliation with "outsiders" are twin obstacles to harmonious adjustment.

OPENING GUNS IN THE OPEN-SHOP WAR<sup>1</sup>

Shots that will be heard—if not around the world, at least throughout the length and breadth of the land—have been fired in the open shop war which has been looming for months and whose preliminaries were discust in these columns a few weeks ago. The fight is on in two important industries—steel and clothing. After all the revelations brought out by the Lockwood Committee in New York of extortion and blackmail by labor leaders trying to force the closed shop, comes the news that the Bethlehem Steel Company is not only following the open shop gospel itself, but is steadily following the policy of selling no steel to builders who will not adhere to the open shop principle. In the men's and boys' clothing trade employers have broken with the union in New York and Boston; they have insisted on lower wages, the piece-work system, open shop conditions, and greater freedom to "hire and fire," and they have issued statements accusing the unions of "Sovietism." The workers, in turn, have demanded a joint survey of wage-conditions as preliminary to any readjustment, and they have charged the manufacturers with "attempting to take advantage of existing conditions to return to old-time sweat-shop conditions." Some newspaper writers find it hard to decide whether the cessation of work in this industry is a strike or a lockout. And since the open shop is here but one of several issues, many of which are not clearly defined, the press in general prefer to await further developments before discussing the precise bearing of this particular labor battle upon the open shop movement. But when Eugene G. Grace, president of the Bethlehem Steel Company, admits on the witness-stand that his great concern has for months been forcing customers to employ non-union labor or go without steel, editors generally admit that the open shop war is on in earnest; and it must be added that to a remarkable degree they seem to unite in declaring that the Steel Company has gone too far.

Mr. Grace's admissions were brought out piecemeal in the course of a long examination by Samuel Untermyer, counsel for the Lockwood Committee and incidentally the largest individual stockholder of Bethlehem steel. Mr. Grace made a point of

<sup>1</sup> Literary Digest. 68:12-13. January 1, 1921.

avoiding definite expressions of fact or opinion, but at the conclusion of the examination, so the New York *World* sums it up, the admission had been forced "that he, personally, the Bethlehem Steel Company, the Bethlehem's subsidiaries, and practically all the steel interests of the country are endeavoring to kill off union labor and to create non-union shops if human ingenuity can do it." The day before, building contractors had told how they had been working as "union" organizations and found themselves unable to continue buying steel direct from the fabricators. They testified that their personal appeals to the heads of the Bethlehem Steel Company were in vain, that they were given to understand that unless they continued on a non-union basis they could get no steel, and that in some cases they were compelled to let open shop erectors do steel work for them at a considerable increase in cost. An "iron league" has been formed of erectors who hold to the open shop policy, and, according to these witnesses, its members have no difficulty whatsoever in getting steel from the United States Steel Corporation, Bethlehem, and other large fabricators. Building in New York is said to have been made more costly by these conditions and to have been held up seriously. Moreover, as the New York *Times* sums up part of this testimony—

Robert P. Brindell, of the Building Trades Council, benefited by the "open shop" war of the steel fabricators. Since the Iron League refused to permit steel to be put up except under open-shop conditions, Brindell was able to threaten strikes on the charge that non-union men were doing the steelwork. In this way he levied tribute on builders for permission to have the steelwork continue to go up under open-shop conditions.

When Mr. Grace was asked what he thought of the situation created by the Bethlehem open-shop policy he answered: "I think it is the proper thing to protect the open-shop principle." The next day the answering shot came from the union-labor ranks. Samuel Gompers reminded newly elected union officials of the necessity for standing loyally by the labor movement, particularly at a time "when there is so much effort made in the direction of reaction and the destruction of the labor movement, when the challenge has been thrown to labor by employers as it has been for the last few days. American labor accepts this challenge."

When Mr. Grace says that "any character of relations or association to support and protect the open-shop principle of

giving service by any character of laboring man in this country is a good thing," he has the full editorial approval of the *Buffalo Commercial*, which says:

It is just as unfair to condemn the Government of the United States for refusing to sell goods to the Russian Soviet Republic as to condemn the United States Steel Corporation and the Bethlehem Steel Company for declining to sell fabricated steel to closed-shop builders. The reasons for refusing to enter into relations with the Bolsheviks are exactly the same as exist in the steel business. The Russian "Reds" have been trying to spread their propaganda throughout this country. They have been instigating revolutionary movements wherever possible with the intention of undermining and blowing up our democracy. A year ago last September, union labor under the leadership of Foster, the syndicalist, and Fitzpatrick, the Chicago radical, aided and abetted by the American Federation of Labor, sought to get control of the steel industry in America with the view of ultimately extending their power over every industry that uses some form of fabricated steel in its business. The strike that was then organized failed through the active and intelligent opposition of the very men who are today refusing to give organized labor a chance to engineer another strike for power.

The vital principle that the Bethlehem Steel Company is fighting for must be carried on exactly as it is being done today. The time for temporizing has long passed.

But such unreserved applause is conspicuous by its rarity. Some editors are careful not to commit themselves too deeply. The *New York Tribune*, for instance, calls the situation "A Mutual Lockout":

The unions will not sell their labor to concerns employing non-union labor. The company will not sell its steel to concerns which deny to non-unionists a chance to get jobs. Boycott is thus met with boycott. It is difficult, if not impossible, to condemn the one side without condemning the other.

The Bethlehem policy, similarly observes the *New York Commercial*, means that "what is sauce for the goose is sauce for the gander." "There may be the claim of right behind Bethlehem Steel's attitude in refusing to provide materials" for closed-shop contractors, but, adds *The Commercial* carefully, "that it is a moral right will not be universally conceded."

But a large number of dailies, many of them conservative, and in general friendly to the open-shop principle, are convinced that Mr. Grace is going altogether too far. Mr. Grace is "overvaluing a principle," is the way the *Buffalo Express* puts it; he is "fighting minority tyranny with despotism," according to the *Brooklyn Eagle*, which finds "despotism by organized capital as reprehensible as minority tyranny by organized labor." The *Rochester Democrat and Chronicle* contends that there is no more justice in trying to force the open-shop policy "on concerns that prefer to employ only union labor than there would be in union-labor leaders trying to force the closed-shop

principle on the Bethlehem Steel plants." Similar observations come from the *Boston Transcript*, the *Syracuse Post-Standard*, the *Newark News*, and the *Louisville Courier-Journal*. The *New York Journal of Commerce*, an organ of business and finance, admits that—

Any attempt for any reason on the part of steel manufacturers to interfere with the right of contractors to determine their own labor policies is too closely similar to an effort on the part of labor in the building or other trades to dictate the labor policy of the steel industry to appeal to the impartial observer. The contractor is said to find it to the interest of efficient production in his business to employ union labor even if in so doing it is necessary to acquiesce in the closed-shop principle. If this is the case it is desirable both from the standpoint of abstract right and of public interest that he be free to do so.

It seems to the *New York Globe* that while New-Yorkers may be properly concerned over the possibility that the Bethlehem policy has in some cases "increased the cost of building here by from 5 to 10 per cent.," there is a much more significant angle to the situation. In general, says *The Globe*, the union has given labor a weapon without disarming capital and has thus created a balance of power, and it adds:

The open shop as the steelmakers propose to create it apparently means the destruction of this balance. It is for this reason that the action of the steel manufacturers takes on a more sinister aspect than even the most determined and widespread labor movement.

Likewise, the *New York World* sees the "Brindells of Big Business" taking their place "alongside the Brindells of Organized Labor." "The main moral and economic distinction between the coarse Brindell methods and the refined Grace methods was that the labor autocrats collected their pay in cash and the steel autocrats collected their pay in the form of dividends out of sweated immigrant employees." In the *World's* opinion, "the Brindellism of big business is even more of a public menace than the Brindellism of organized labor," and it proceeds to develop this thought in another editorial:

When manufacturers undertake to dictate the particular kind of labor that purchasers of their products shall employ they have but one step to take before limiting builders and owners as to the use and the occupancy of their properties. Aside from the intolerable tyranny of this situation as respects capital, labor, and housing in New York, the attitude of the steelmakers confirms everything charged against them last year at the time of the strike and since substantiated by the report of the Interchurch Committee.

Thus the existence of an industrial autocracy which defies Congresses and snubs Presidents easily becomes a menace to great populations far removed from its thundering mills and squalid camps of imported labor. At great cost it suppresses the effort of its employees to better working conditions.

Naturally, to a socialist paper like the *New York Call*, the newly revealed attitude of Bethlehem Steel and other steel concerns gives it a ready answer to conservative editors who have been denouncing the "one big union" and "direct action." Here is a "One Big Union" which "believes in solidarity of all unions of capital, stands for the sympathetic strike of capital, and observes the policy of penalizing any other capital unions that scab upon the one big union. It believes also in direct action for the control of government for its own purposes."

## AFFIRMATIVE DISCUSSION

### THE CLOSED SHOP<sup>1</sup>

Back of the demand for the closed shop there are thirty or forty years of history. The workingman knows what his condition was prior to the closed shop. He knows that he could not possibly have attained his present standing without the closed shop.

Thirty-five years ago I worked as a typesetter on a daily newspaper. We went to work at one o'clock in the afternoon and worked until about five o'clock; then we went to work again in the evening at about seven o'clock and worked until half-past three or four o'clock in the morning—about eleven or twelve hours a day, generally seven days a week. In the course of that week I was able to earn as high as twenty-one dollars. There were a few shifts who could earn more than twenty-one dollars.

Twelve hours a day for fifteen to twenty dollars a week—this was the prevailing wage for printers thirty-five to forty years ago. About twenty-five years ago there came a great improvement in typesetting—the invention of the linotype. There was a great disturbance in the printing craft—it was thought that possibly women would come in to take the places of the men. But it was arranged between the union and the publishers' association that the old printers who had been setting type by hand should have the first opportunity to learn the linotype; that there should be set up a certain standard of efficiency; that they should have a certain number of months during which they might attain that standard of efficiency; and, most important of all, the hours of labor were reduced from eleven and twelve to seven and eight. Afternoon work was cut out and there was only night work, and gradually the wages rose much higher than they had been before for the twelve-hour day. The efficiency of the linotype was so great

<sup>1</sup> From the speech of John R. Commons, before the convention of the Industrial Relations Association of America at Chicago on May 21, 1920. Survey. 44:532-3. July 17, 1920.



that one man could turn out five times as much work as he could formerly by hand. The introduction of the eight-hour day instead of the twelve-hour day, the increase of wages, the prevention of substitution of woman and child labor for skilled mechanics; this is what the closed shop has done for the printing trade.

Now compare with this the experience in another great industry that has been revolutionized by machinery, in order to see still more clearly how the working man feels about the closed shop.

Down to 1892 the iron and steel industry was practically a closed shop industry. In 1892 came the great Homestead strike. The iron and steel workers' union was defeated. The steel companies then adopted the non-union policy and with that policy they adopted the twelve-hour day and the seven-day week.

Furthermore, they succeeded in introducing the greatest labor-saving device that has ever been introduced in the steel industry—the continuous process by which the metal is not cooled off from the time it leaves the blast furnace until it ends in structural shapes and iron rails. The efficiency of labor was enormously increased but the workingman was reduced in his condition to a twelve-hour day and a seven-day week, on which he is kept, to a large extent, to the present time. That is what the open shop has done for the workingman in the steel industry.

The closed shop is an evil, but we have not a choice between an evil and a perfect remedy. What is the alternative before us? If we start in with an open shop or a non-union shop—I consider the two identical—and thus are enabled to destroy the union movement, we may listen to the promises of employers who say that they will pay their workmen more wages and that their condition will be better, but experience teaches us that this has not happened under the open shop in the past. We have before us the great contrast which I have just presented. Surely, we are safer when we base our program on experience than when we base it on promises. The workingman has been through this experience; he has seen the results and he has resorted to the only remedy that was effective.

The closed shop policy has not restricted the general progress of the nation. We must remember that the industry of

the United States is increasing its productiveness every year. Today we produce four times as much per capita as we did one hundred years ago. There is four times as much to divide. The closed shop has enabled organized labor and unorganized laborers to share the progress of machinery and the development of our civilization.

## THE CLOSED SHOP<sup>1</sup> ✓

"The philosophy of the closed shop is based upon the belief that the welfare of the laboring classes is bound up with the device of collective bargaining, that the success of the expedient depends upon its universal application, and that no individual workman can be conceded rights that are inconsistent with the welfare of his class."

*Advantages of Trade-Unionism.*—Without attempting a thorough discussion of this subject, we present the following summary of the advantages of the trade-unions as cited in recent discussions of the closed shop.

The labor movement implies an orderly effort, not only to wrest concessions from the employer, but also to secure recognition from society. It is a movement which seeks to change the present standards by which the laborer's share in production is decided, and disputes the right of the employer alone to determine what fair treatment should be. It aims at industrial democracy and is in harmony with the world-wide tendency of the times.

The great consideration is to permit workmen to have a voice in the shop—to have control over the conditions of employment.

The trade-unions have achieved the gradual and steady increase of wages and the shortening of the working-day.

Trade-unions are coming to be recognized by employers as a permanent part of the industrial offer. In many trades in Great Britain the employers prefer to make terms with the trade-unions which shall apply to non-union workmen as well, rather than to make terms with each class separately. It is coming to be recognized as good policy to deal with the same form of organization and more and more to make that organ-

<sup>1</sup> William D. P. Bliss. *New Encyclopedia of Social Reform*. p. 851-3.

ization responsible, so far as may be, for meeting the obligations that are assumed by it for the workers in the trade it represents.

A well-organized union enables an employer easily to obtain efficient workmen; to make collective contracts, which are more satisfactory, cover a longer term, and more readily fulfilled than individual contracts; and it tends toward conservatism, and thus lessens the liability of strikes.

To seek to destroy unions because of their defects would be like attempting to abolish government because of its abuses. The unions with all their faults represent a forward stride of the human race. They cultivate a spirit of self-reliance and mutual assistance which ought to more than compensate for their faults.

As the unions become stronger and gain in experience, they tend to conservatism. The hard and stern conditions confronting them can be relied upon to keep them within bounds.

*Union and Non-Union Employees.*—The reasons why union men refuse to work in the same shop with non-union men, and which are at the root of the contention for the closed shop, may be summarized as follows:

A shop with union and non-union men is like a house divided against itself. There is a constant attempt to organize it entirely; an incessant struggle to disorganize it completely.

While accepting the union scale of wages when work is plentiful, the non-unionist will immediately lower wages as soon as work becomes more difficult to obtain.

It is easy to speak of the open shop in which the employer does not care whether his men are union men or not. But the union cannot accomplish its most important object unless the employer deals with it as a union. The employer cannot be made to enter into a collective bargain—and without the collective bargain the conditions of labor are hardly fixed by bargaining at all—unless the union comprizes practically all the men he wishes to employ.

*Non-Union Workers.*—Much attention is given in the arguments of trade-unionists to the character of the men who do not join the unions, with the view of showing that much sympathy is misplaced when bestowed upon these workers, who as alleged, are deprived of their liberty to contract for employment.

Some refuse to join because of intolerable conditions existing in a union. It is maintained, however, that when such conditions exist, the abuses should be prevented by action within rather than without or against the organization.

Another reason given for not joining unions is because of strong but mistaken ideals of persons who believe in individual action, in the right of every man to do as he will, no matter how it may affect his neighbor. This policy, it is maintained, is not practicable in a civilized community.

Another class of non-union workers, it is maintained, consists of persons who, purely through selfish motives, seek to share all the advantages secured by the sacrifices of the trade-unionists without bearing any of the burdens of incurring any of the risks.

Lastly, there is said to be a class of professional strike-breakers. These, it is claimed, are either dishonorably discharged unionists or they belong to the class of the criminals, idlers, and incompetents who are only willing to work or to make a pretense of working in order to defeat the ends of honest working men.

*The Legal Right.*—It is contended by trade-unionists that in their action for securing the closed shop they are doing nothing but what is lawful.

As free citizens the wage-earners have the right to work or to refuse to work, to make certain demands for their welfare, and to strike if the demands are not granted. An employee has the right to say that he will sell his labor on condition that he is not to work with obnoxious persons. In like manner, laborers can combine to sell their labor collectively and on the same terms. They do not deny the right of employment to non-unionists, but simply refuse to work with them.

The union workmen who refuse to work with non-unionists do not say in so many words that the employer shall not engage non-union workers. The dictum of the trade-union is not equivalent to an act of Congress or of a state legislature prohibiting employers from engaging non-union men. What the unionists in such cases do is merely to stipulate as a condition that they shall not be obliged to work with men who, as non-unionists, are obnoxious, just as they shall not be obliged to work in a dangerous or unsanitary factory, for unduly long hours, or at insufficient wages.

*The Moral Right.*—The trade-unionists claim that they are not only legally but also morally justified in refusing to work with non-union men.

Society makes right that which will accomplish the most good for its members as a body.

If it is wrong to ostracize or to refuse to associate with craftsmen who are indifferent to their common welfare, then it is equally wrong for professional men to shun others of their calling accused of unprofessional conduct, and it is wrong for merchants to taboo other tradesmen who disregard the ethics of their business.

In modern industry working men do not act as individuals contracting with employers. The workingman of to-day belongs to a group, and whether he will or not, acts with his group and is treated like others of his group. He works the time worked by the others, receives the wages paid the others of his class, and obeys the regulations made for his group. His employer does not know that he exists, but simply knows that so many hundreds or so many thousands of men of his type are employed at a given wage, for a given number of hours, and under certain given conditions. What affects one of his class affects all.

Just as the individual owes a duty to society, so also, tho in a less degree, he owes a duty to his class. The non-unionist has no moral right to seek his own temporary advantage at the expense of the permanent interests of all working men.

If the union has a right to exist, which is no longer denied, it has a right to insist on those conditions which are necessary to its existence; and it cannot exist if non-union men are permitted to take the jobs of union men.

## THE UNION SHOP AND ITS ANTITHESIS<sup>1</sup>

The synonyms for "union" shop and "non-union" shop respectively are "democracy" and "autocracy." In the union shop the workers are free men. They have the right of organizing in trade unions and to bargain collectively with their employers through representatives of their own choosing. Employees in the non-union shop are like cogs in a machine. They have

<sup>1</sup> Pamphlet by Samuel Gompers. July, 1920.

nothing to say as to the conditions under which they will work, but must accept any wages, hours and working conditions that may be fixed arbitrarily by the employer.

A non-union man who accepts employment in a union shop has the privilege of joining the union which has a voice in determining with employers the wages, hours and conditions of work. He is given time in which to make application, if he so desires.

No union man, if known, is permitted by the employers to work in a non-union shop.

Men who believe that the Chinese Exclusion law should be repealed, who believe that Literacy Test should be repealed, who believe that hordes of illiterate immigrants from southeastern Europe should be permitted to enter the United States as freely as citizens of this country pass from state to state, are the men who object to the union shop. They believe in autocracy in industry. They hope to use these hordes to lower the standard of living of the workers of the United States. Furthermore, they will fight to the last ditch to prevent the taking away from them of the arbitrary power of dictating wages, hours and conditions of employment to the workers in their employ.

Most relentless propaganda has been used to discredit the union shop and to hold up to the public the great benefits of the non-union shop. No more malicious misrepresentation of a desirable condition in industry ever was launched. It began in the early 1900's when a number of associations were formed to destroy the trade union movement. Lawyers were employed to travel about the country delivering addresses, all of which were confined to denunciation of labor organizations. The most venomous charges were made against them.

Judges were influenced by this propaganda to decide that the union shop was illegal. The opinions of these judges contained most bitter statements against the workers who had had the temerity to organize. They were charged with being non-progressive obstacles to the welfare of the country, and un-American. These opinions were heralded through the newspapers as the turning point from which the trade unions would gradually disintegrate. Employers' associations, citizens' alliances and organizations of many other names composed of employers or their agents kept up a perpetual criticism of Labor.

The reason was purely selfish. The antagonists of Labor believed that if they could destroy the trade union movement, wages could be reduced to a low standard; that it would not be

necessary for them to safeguard the health of their employes or build plants in which the machinery was so protected that it was of less danger of injury to the workers.

When Labor sought the enactment of laws providing for compulsory education it was such men who fought them most viciously. The latter believed if the children of the workers were permitted to go to school that when they grew older they would demand better conditions of employment than their fathers. It was for the same reason they have been and are now demanding the non-union shop.

It is the principal method used to repress the workers, to browbeat them and keep them in perpetual fear. To make Americans is none of their concern. They do not care whether their employes are loyal citizens or not as long as they can have their goods manufactured at less cost than a fair-minded employer of Labor.

But this propaganda that stirred the country in the early 1900's reacted. The people learned that the men who were employed in union shops were possessed of better characters and higher principles that made them more intelligent, proficient, and productive workers than those employed in the non-union shops. Besides it made them better citizens.

Furthermore, investigations made by many employers taught them that collective bargaining with organized workmen brought greater results than the arbitrary fixing of conditions for the non-union workers. Gradually the benefits of the union shop became better known. Employer after employer changed his attitude and voluntarily agreed to the union shop. There are many thousands of employers in the United States who are conducting the union shop and would not change under any circumstances.

But after the armistice was signed the profiteers in order to hide their nefarious practices launched a bitter crusade against the union shop. It has reached high tide and will soon recede, as the public, and especially the non-union workers, are beginning to realize that the only hope for relief is in organization. This has been exemplified in the past year by more than a million men joining the organized labor movement, until now, July, 1920, there are 5,500,000 organized workers in America.

The repeated crusades against the union shop have been

boomerangs. They have called the attention of the non-union workers to their economic plight.

When the American Federation of Labor was organized the big cities of the country were filled with sweat-shops. The tenement house system in New York was so abominable that the legislature, through the insistence of the American Federation of Labor enacted a law for its abolition. It was most highly injurious to the health of the workers on sanitary, economic, moral and social grounds. Whole families lived in one room where cigars and clothing were made by women and children.

It was the trade union movement that gradually drove the sweat-shops from the tenement houses and compelled the establishment of factories in well-ventilated buildings. The sweat-shop was the non-union shop.

The sweat-shops were not abolished, however, until the workers were organized and demanded sanitary working conditions. This required the establishment of factories. The factories were union shops. While the bread-winners of families who lived in the tenement houses were at work in the factories, their dependents gained health in the improved living surroundings because of the law forbidding home work.

Those now living who in the early eighties were employed in the large plants of the country realize the great improvements made in the conditions of employment. It was not until the union shop was demanded and largely secured that these economic benefits were gained.

It is because Labor is continually seeking improvements in working conditions and the standard of living that the objections are aroused of those who desire to keep the workers servile. Upon what other grounds would employers oppose the organization of the workers? What other reason could be given? They are the men who clothe themselves in the cloak of piety and raise their eyes upward in horror when they hear anyone speak of the union shop. They stand in the way of progress as others have done since the beginning of time. They are the reactionaries who believe in involuntary servitude. They are the men who seek legislation to tie men to their jobs. The union shop is an obstacle to their dreams of autocracy in industry. Therefore they seek to make the union shop detestable in the eyes of the people while the non-



union shop is lauded as the greatest harbor for "free" men that could possibly be conceived.

But employes in a non-union shop soon find out that they are not free men. When they enter such a plant they leave all hope of economic improvement behind.

What is a union shop?

A union shop is a shop where the employes are members of trade unions or are willing to join. The workers through representatives selected by themselves meet the employers in the industry on a common ground. They hold meetings in their unions in which all grievances they may have are thoroughly discussed. These include wages, hours of employment and rules covering their health, safety and comfort.

The union shop represents true democracy in industry. There are no class distinctions or autocratic rulings to disturb the best relations between the workers and their employers. The right of organizing into trade unions is conceded. Employers and employes meet as man to man. Each respects the other. The employe is a willing worker and the employer keeps the part of the bargain he has made with the workers through their chosen representatives.

What is a non-union shop?

A non-union shop is where the workers who are unorganized are employed as individuals. Their wages and hours of work are determined without consultation with them and without their consent. If the worker has grievances he is unable to present them. Fear of retaliation by the employer or his representative in this plant keeps the worker from making complaints. If he does complain he obtains no redress. Consequently, the workers work day in and day out, week in and week out, in fear of discharge. This artificial atmosphere is created for the purpose of forcing the employes to greater exertion. Pacemakers are scattered throughout the plant for the purpose of keeping this perpetual fear of losing their jobs before the non-union worker. But this fails. The unorganized workers become morose, sullen and rebellious. There is no comradeship among such employes. Consequently they work under duress and without enthusiasm for their employment.

An autocratic power may dictate any rule that may be conceived. No protest can be made by the non-union workers, as they have only fear for each other, the fear that if they

voice their disapproval of the conditions under which they work some fellow worker would report it to a "straw boss." That would mean separation from their jobs.

Why is the union shop preferable?

Countries grow great as their people increase in confidence and loyalty. Men who are congenially employed who can hold up their heads and say what they think without fear of the headsman's axe separating them from their employment make real Americans. Only in union shops can men be found who are striving for better conditions of employment in order that they and their dependents can enjoy life and happiness. They do not enter the plants in the morning in fear and trembling that some supernumerary will meet them with stinging, unjust criticism.

It is always noticeable that "straw bosses" in non-union shops are burly men whose very looks inspire fear. There is no intimidation in the union shop. Everything is open and above board. In the union shop if a foreman or superintendent wishes something to be done by the men they inform the latter in the language that any fair man would use to another. There is no brutality in their talk. Because of this fact the employees go about their task in a whole-hearted, loyal manner.

What is the "open shop"?

An "open-shop" is a non-union shop where the fiction is kept alive that union men may work but are not permitted to do so.

An employer who refuses to employ a union man will say: "I do not discriminate against union and non-union men. I conduct an 'open shop,' that is, those who apply for work will be given employment when they are needed. This is a shop where men are 'free.'"

But when a workman applies for employment he is asked a number of questions. In many cases he has to fill out a questionnaire giving his entire history from the cradle to the present time, and one of the most important queries is, "Are you a member of any union?" If the man answers this question in the affirmative he is not employed. He is told that his name will be placed on file and that he will be notified when there is work for him.

But he never is notified. Instead his name is sent to other manufacturers to prevent the possibility of his being em-

played elsewhere. This is a method used by the non-union shop employers to place on the black list all members of unions.

The so-called open shop influences wages and the standard of living downward, and it is based upon the sycophancy of the most docile and servile and the most immediate needs of those in distress of the poorest situated among the workmen.

This so-called "open shop" is the disintegrating factor that leads to the non-union shop; in other words, the shop which is closed to the union man, no matter from whence he hails or what his skill and competency.

What is the "closed shop"?

The term "closed shop" was originated about 1903. It was coined by the enemies of trade unions for a purpose. That purpose was and continues to be to divert attention from the defensive action of union men.

The union creates certain desirable conditions. The non-unionist tries to destroy them. By not competing with one another for the employment, the unionists make their advantage. By competing, the non-unionists would leave the dictation of terms wholly to employers. And then the employers, when the union has gained something through its advantage, come forward with a demand for the "open shop" and make an appeal to the public in the name of liberty.

The term "closed shop" is a false designation of the union shop. Those who are hostile to labor cunningly employ the term "closed shop" for a union shop because of the general antipathy which is ordinarily felt toward anything being closed, and with the specious plea that the so-called "open shop" must necessarily afford the opportunity for freedom. As a matter of fact, the union shop is open to all workmen who perform their duty, and they participate in the benefits and advantages of the improved conditions which a union shop affords. The union shop also implies duties and responsibilities. This is incident to and the corollary of all human institutions.

The dishonest idea given in the term "closed shop" is that no one can secure employment there except members of trade unions.

When the unions make an agreement with the employers as to wages, hours and working conditions, it is natural to believe that the contract is between members of unions only and the employers. But men can be employed who are not members of a

## THE CLOSED SHOP

union. A certain period is given them to prove their competence and then if the result is favorable their applications as men the unions are accepted. Any wage worker can join a trade union. All are open, wide open to all wage-workers, qualified at the occupation organized. They pay an entrance fee barely sufficient to equalize the payments of unions, benevolent benefits and current cost of administration. No union ever asks a non-unionist to pay for the slightest percentage of the damage he has done as a disruptionist. It is literally and positively true, without evasion or equivocation, that trade unions, and consequently union shops, are open for all wage-workers whom any employer would possibly contemplate as employees who would be kept regularly and permanently in his employ.

What the trade unionists call for is the union shop. Those who speak of it as a "closed shop" are enemies of Labor who by distorting the facts seek to discredit the trade union movement.

The question is often asked, "why should a non-union man who secured employment in a union plant agree to join the union after he has proved his competency. Why should he not be at liberty to work as a non-union man?"

Wages in union shops are higher than in non-union shops. The hours of work are less and the working conditions are more desirable. These are gained through the workers dealing with the employer collectively. Each member contributes a small sum to carry on the work of the union. Why should a non-unionist be permitted to enjoy the benefits gained without paying his share of the cost of securing them? It is a fundamental principle that those who are the beneficiaries of organization should share in the responsibilities and obligations involved in the achievements.

## THE OPEN SHOP MEANS THE DESTRUCTION OF THE UNIONS<sup>1</sup>

The whole employing class of the United States is lining up for a new campaign against the unions. In this fight it is backed by the press, the middle classes, public opinion generally and the highest labor arbitration tribunal in the country. The

<sup>1</sup> William English Walling. Independent. 56:1069-72. May 12, 1904.

struggle is momentous. It will decide not only the industrial but the social and political future of the United States. If the employers' campaign is successful, it means the elimination of the trade unions as a factor in American industry. If it fails, nothing short of direct Government control can prevent the unions' steady progress toward industrial domination.

Employers are almost completely organized for the fight. The public has not realized how much has been accomplished since the coal strike (1902). The organized manufacturer and contractors are no longer alone. They are supported by commercial interests, railroads and banks. Evidence of their co-operation can be seen on every side. In Chicago and St. Louis emergency funds of \$1,000,000 are ready for immediate use. The banks, I was told by an officer of the St. Louis Association, are at the bottom of that organization. In Chicago the railroads played a similar part. The Chicago Employers' Association grew up out of the freight handlers' strike. The Chicago, Burlington & Quincy Railroad furnished one of its first organizers and the great commercial interests the other three. Recently a transcontinental railroad conveyed strike breakers from New York to San Francisco at an \$11 rate at the request of a powerful employers' association. The movement is spreading from city to city. Since Philadelphia and New York joined the fold a few weeks ago every important city has its powerful federation of employers' associations. Some time ago associations were formed in most of the important national industries, and now every trade which has not already been formed into a trust, is organized to deal with labor. All of these associations, local or national, industrial or federated, with one or two exceptions, are moving openly or secretly to force the unions to the open shop. But the open shop, say the unions, means an open warfare against organized labor.

Until this new issue arose public opinion, outside of the eastern money centers, was largely on the union side. During the anthracite strike the great majority of newspapers leaned to the miners. They favored the "recognition of the union" and the trade agreement. Under the mistaken assumption that the open shop means nothing more than equal treatment for union and non-union men, public opinion has veered around and now stands almost solidly opposed to the organization of labor. Nearly every one of the great city newspapers has become a partisan of the open shop. Under their leadership the

business, professional and salaried classes and the whole farming community have been lined up in favor of a proposition which, whatever may be said of its advocates, puts the very existence of the unions in the employers' hands.

Employers say the open shop means simply even-handed treatment for union and non-union men. Unions say the open shop spells their destruction. Why? What is the open shop?

Fortunately an official interpretation of the open shop has been given to us by the highest labor arbitration court which we have ever had—a court appointed by the President of the United States and accepted by the nation. The Anthracite Coal Strike Commission was not only our most important labor arbitration board, but it has left behind it the most important "trade agreement" in industry. The Commission's award was, of course, in general terms, and first of all provided for an umpire to decide disputes arising under it. Col. Carroll D. Wright, head of the Bureau of Labor, has been appointed umpire.

The Anthracite Commission decided for an open shop. In a recent decision that has alarmed and antagonized the whole labor movement Colonel Wright defines the open shop as follows:

There can be no doubt that the employer has a perfect right to employ and discharge men in accordance with the conditions of his industry; that he is not obliged to give any cause for discharge. . . . This right to discharge must be maintained. Any other view of the case . . . would compel employers to employ men whether they had work for them or not, and whether the men were competent or not, and would thus stagnate business and work to the injury of all other employers.

President Roosevelt in his letter of July 14th last written during the Miller controversy, says "I heartily approve of the award and judgment by the Commission appointed by me."

President Roosevelt approves of the award of the Anthracite Commission. His appointee, Commissioner Wright, shows that this award has as its very basis the right to discharge without cause. The right to discharge without cause is the feature of the open shop against which the unions will fight to the last ditch. The local union of the Mine Workers where Mr. Wright's decision was given was disintegrated through the employers' insidious attacks until finally the National Executive Board, of which Mr. Mitchell is the head, withdrew its charter in disgust.

To admit the right to discharge without cause is, the unions believe, to sign their own death warrant. If the em-

ployer can discharge a man "who does not suit him," to quote Colonel Wright again, he can discharge a union man for the simple reason that he is a union man. Nor is the employer's promise not to discriminate sufficient. To fall back on the promise of the employer is to bring the workman back to the same conditions of servile dependence he occupied when he had to ask for better wages as an individual favor, instead of demanding them through his union as a right.

The employer who can "discharge without cause" can deprive the workman of his means of subsistence and the union of its members. No organization can continue to exist longer than it is able to protect its individual members from outside attack. For a "labor" organization to protect its members it must first of all keep them at work. To a union man permanently out of a job a union card is a bit of pasteboard and a union agreement for better wages is not worth the paper on which it is written.

The employer who can "discharge without cause" has the power to use war measures in times of peace. By locking out union men one at a time he can wage a quiet war of extermination as effective as and much less expensive than a general lock-out. Under arbitration and the trade agreement he can do exactly what he does in an open fight—he can wield against the unions the whole reserve army of labor, the great body of the unorganized and the unemployed.

That is why the unions say the open shop is an open fight against labor, and why men like Organizer Fitzpatrick, of Chicago, who put 75,000 members into the unions there in a single year, believe that fire must be fought with fire.

"We favor," he tells me, "the abolition of all agreements and arbitration wherever we have been forced to accept the open shop. The employers promised not to discriminate. But they had no sooner begun to adopt the open shop than we saw the wholesale discharge of union men. . . . What is the use of having agreements with men who are stabbing you in the back?" The open shop agreement gives one of the contracting parties, the employer, power to annihilate the other contracting party.

With the open shop discrimination against union men is general, the often indirect. One of the most eminent and conservative employers in the country told me that he never discharged an agitator who was a good workman at the time of the

foreman's complaint. "I always wait," he said, "until the fellow gives me some other excuse." Other discrimination is less veiled. In the Bulletins of the Metal Trades Association are accounts of many employers' movements. Where the open shop obtains, the secretaries almost invariably boast of the decreasing membership of the unions. The same men who are openly making every effort to disrupt are the most ardent advocates of the open shop.

That discrimination is general is shown by the means employers have adopted to reap the fruits of the open shop. Employers' associations are everywhere installing the Employment Bureau. By this means the employees of all the members of an association are registered and their records, including always their records as unionists, are kept. In each shop the employer naturally gives every preference to local and obedient non-union men. By means of the Employment Bureau these same loyal individuals may be preferred by the associated employers in the distribution of jobs in the season when work is scarce. The union workmen may find themselves not only discriminated against while employed, but given employment in inverse ratio to their loyalty to their union. The Employment Bureau gives a whole industry the information, the means and the opportunity for discrimination against union men.

Lincoln said "this country cannot remain half slave and half free." The unions have found that an industry cannot remain half non-union and half union. If the industry is already unionized, if all or nearly all the men in it are members of the union, there is no objection to the open shop. The unions cannot be broken when there are no non-union men. They cannot be broken if employers agree not to replace union by non-union men and then live up to this agreement. Under such conditions also the unions have no objections to the open shop. The making of new converts to the union will soon unionize the trade. The molders employed by the Stove Defense Association have with the full consent of the employers organized all but two of the sixty-four shops. This may not be the union shop, but it is the very thing to which employers object. It is the unionization of industry. Employers are taking a final stand against the unionization of industry by fighting the battle of the non-union men.

"When the unions have 6,000,000 members," says John Mitchell, "instead of 3,000,000 they will be not twice but four



times as strong as they are at the present time." Industry unionized, employers felt, would mean industry in the hands of the unions. The employer would find his occupation gone. An appeal to the Government is an appeal to the farmers and the middle class.

Even this might not serve. Doubtless the farming and middle classes would take measures to protect themselves as consumers. But is there reason to suppose that they would be inclined to confer benefits on a class which had lost its economic power?

What is to be the result? One thing is clear. In dealing with labor employers will act as a unit. They have already united on the open shop. The open shop leads to the Employment Bureau, the Employment Bureau to the National Labor Bureau. The blacklist will be practiced on a national scale. The unions also will act not locally and by separate trades, but nationally and in concert. The sympathetic lockout they will fight with the sympathetic strike. To the national blacklist they will reply with the national strike. Labor conflicts are to become a community affair. The most vital concern of the nation is to be the labor question.

## AN EXPOSITION OF THE OPEN SHOP<sup>1</sup>

The campaign of misrepresentation and intimidation of the avowed enemies of trade unionism in the name of the American Plan and the "Open Shop" system, while clothed in new raiment, is not by any means new to the workers of this city, and those who can remember the hysterical efforts of our enemies will recollect that about 15 years ago we were confronted with the same opposition, although at that time the organized force of opposition to trade unionism was not as widespread as at the present time. This may be attributed to the fact that Cleveland then did not have the population it now has and that the organized workers were not as large numerically.

The fact that the advocates of the "open shop" are now endeavoring to place their system in a new light, and many enemies of labor are paying speakers to propagate the idea that this "Open Shop" is a new idea of the employer and a panacea

<sup>1</sup> Pamphlet by John G. Owens, Secretary Cleveland Federation of Labor.

for labor troubles, let us quote here what Max Hayes had to say about the "Open Shop" 15 years ago:

Stripped of all pharisaical cant and meaningless phrases, the triumph of the "open shop" means a closed shop to members of organized labor; it means discrimination in favor of such workers who lack the moral stamina to resist oppression; it means the dragging of more children into the shops and factories to take the place of fathers and brothers at lower wages and longer hours; it means an increase of crime, poverty, drunkenness and insanity; it means degeneration, chaos and the ultimate destruction of our civilization.

That the movement of 15 years ago did not succeed in its effort to wipe out organization among the workers is evidenced by the numerical strength of the workers in Cleveland today, and the very fact that by strengthening its forces since that time it has succeeded in bringing about more moral conditions in our society and the passage of laws beneficial not only to the organized workers, but the unorganized and the employing class as well, has compelled the members of the Manufacturers' Association, and the large institutions who are not satisfied with a fair deal for the producer to use new methods in advocating their un-American plan of the "open shop" at this time, but no matter how they describe it, and no matter how they clothe it in non-union garments, it is the same today as it ever was, and no worker who has partaken of the benefits of collective effort on the part of the workers can be misled by the flowery diction of the paid hirelings of the "open shop" advocates.

In spite of all this antagonism that has been manifested by the opponents of organized labor, and their apparent insincerity in advocating the practical elimination of trade unions, claiming that they perform certain undesired functions that retard business, they admit, all of them, that the organized workers have been responsible for many reforms that today are beneficial to the worker and economical to the employer. In all matters pertaining to safety, sanitation and environment, so loudly lauded by the welfare associations and the employer, the organized worker took the initiative, and in practically all cases he was confronted by the violent opposition of these same employers. In all matters aiming at the elimination of the sweat-shop, and the lengthening of the lives of the toilers, the organized movement of workers deserves the credit, and in no instance was it supported by the employer, and strange to say these same employers are now endeavoring to inform those outside the trade

union movement that they were responsible for the reforms and that their ideals will continue them.

The absurdity of this can be best demonstrated by an analysis of the actual working of their methods of dealing with the toilers, and we will now take up the various phases of their system and logically demonstrate what would be the actual conditions under their "open shop" method and graphically and truthfully reason out the position of organized labor.

### *"Open Shop" a Misnomer*

The statement so often heard from the lips of the unfriendly employer and the men who are paid large salaries to propagate their vicious and dishonest system is that the "open shop" they desire is one that is open to union and non-union men alike. Let us take as an illustration any establishment operated under the so-called "open shop" plan. The employer insists that every worker shall be employed under an individual contract. The employer will admit that this is so. Then, if two or three union men accidentally secure employment there, and meet with the others they cannot but menace the individualistic system. In fact the employer is well aware of the fact that even one union man can menace his system, and to protect himself he must always be on the alert to see that a union man or a number of union men are not employed. Any "open shop" advocate will admit this under pressure and the result is that their ideal shop is far removed from an open shop, and is in reality a closed shop, closed at all times to union men.

Along the same line of reasoning their statement that the individual contract of the workers spells independence and liberty, is also worthy of a little illumination. Why does the employer insist on the individual contract? Is it not to weaken the toiler as a worker and place him in a position where his mind becomes subservient to the will of the man who is placed over him? Not only is the non-union worker supposed to subserve his mentality to the will of the boss, but he is not permitted to use his initiative in advancing the cause of production, because of his fear of the other workers, and his desire to do only what little work he is compelled to do. There can be no intellectual advancement on the part of the worker and there can be no independence or liberty where the subserviency of the employee is the rule, and we have always been taught that mental

subserviency and mental perversion is the worst form of slavery, and the control of the mentality of the workers leads to violence, chaos and immoral and degrading conditions and can be summoned up as the most autocratic despotism known to modern civilization.

Freedom and independence come from interdependence, and interdependence in an industry operated on a non-union basis is utterly impossible, and any fair-minded employer will admit it.

Not only is the open shop closed to union labor, and not only does it destroy in the worker every vestige of independence and liberty, not only of action, but of thought; it also has many other evils to answer for. We have been reading with much interest the actions of the Caliph of Bagdad, and the wish of the moneyed men in their desire to have all employed. Let us analyze the question of unemployment in this so-called "open shop". The employer depends entirely upon his superintendents and foremen to carry out his will. When it becomes necessary to reduce the force the employer notifies those who are holding sinecure positions, and they in turn lay off the men, and naturally, too, they lay off those men who are not friendly to them, or who have, by a spark of manliness, refused to subserve themselves entirely to their will. The question of efficiency never enters in because where there is lack of harmony and a continued fear of every other worker, there can be little efficiency. A number of the employees are thrown out of work, and these men, who have been living from day to day on their earnings, go to make up the increasing number of our people who must needs look for charity, and these moneyed men, who seem so anxious to assist the unemployed are in the main responsible for the unemployment.

Not content with creating numerous foremen and sub-foremen, superintendents and sub-superintendents, these "open shop" adherents have instituted, no doubt unconsciously, a system of lying that is unprecedented, for the men in charge, and the straw bosses who are employed to continually watch for a sign of independence on the part of the men, are the only ones who ever really meet and confer with the proprietor or General Manager, and it is to their benefit and to perpetuate their positions that they must misrepresent conditions and see to it that the menace of organization is a danger to the employer, when in reality it is the salvation of both the employer and the employe.

Not content with the gang bosses and higher bosses usually found in the so-called "open shop", and which we have proven is an out and out non-union shop, it is argued by the sub-bosses that detectives and spies must be employed to report and immediately stamp out any move on the part of an employe to confer with another, and indeed this espionage is as rigid as in the penitentiary. Another innovation of the "open shop" is the desire on the part of the employer and his lieutenants to so far as possible prevent the employes from coming in contact with outsiders, to the end that innumerable uniformed police are employed to guard the exits and entrances, and to patrol the plant, and this guard is made so effective that the workers are of the belief that the spy system is as well informed of their actions outside the plant as inside, and many of the men actually fear to speak of their work in their homes, feeling sure that it will go back to the boss. "Open Shop"! if the average non-union open-shop in this or any other city is more open than a penal institution, then we would like to see it.

Many of those who have given little thought to this important question of the relation of the worker to the employer have wondered why it was that the union employer could give conditions of hours, and better pay to his employes and still compete with the non-union employer. The reason is apparent, for the overhead in the payment of bosses and spies is no little item to the non-union employer, and yet he insists that the non-union policy is a business proposition.

It is not necessary to accept the word of the union man as to the lack of efficiency brought about by distrust and inharmonious conditions such as exist in the non-union shop, even though logic would demand an admission. All we have to do is to cite the case of the Bethlehem Steel Company in demanding that their fabricated steel be sold only to those concerns employing non-union erectors. The concerns using their steel admitted before an investigating committee of the New York Legislature that the employing of members of the Erectors' league, made up of non-union iron workers, added 20 per cent to the cost of erection, over the same job erected by union iron workers.

Even in the stoppage of work by the toilers, the employer is ever ready to cite the strike, but little is said concerning the strike of non-union men. Of course, it must be admitted that

with the number of police and detectives employed to prevent such an occurrence, strikes among these exploited workers sometimes occur, and in such cases there is no limit to the brutalities of those involved, and the height of their sabotage methods. We have had several experiences of this character and it would be but a waste of time to enumerate them. However, it is reasonable to presume that the lowest type of opposition must be resorted to by men who have been subverted and browbeaten as individuals in their capacity as workers.

Another evil of the "open shop", and one that should have the consideration of all who believe in a moral city, is the evil effect of the guard and spy system on society. These guards in non-union shops are recruited from young men who have no trade and who lack the energy to do arduous work of any kind, and in many cases they are secured from private detective agencies, and when they go to work they are armed with death-dealing weapons. Every fair-minded man or woman will admit that this right to carry weapons has a psychological effect on the young man, and when they are discharged or laid off because of a slackness of work, they still insist on the use of these weapons, and with no trade and no desire to work, what is the most natural thing for them to do? A visit to the police court and presence at the hearing of some of the gun-men who are terrorizing our people will prove that this vicious practice of the non-union employer in arming spies and guards, (as in the case of the employer who secures the services of thugs and criminals to incite and intimidate strikers,) is the apprentice shop for professional hold-up men and criminals of all kinds, and it would be well for the reform organizations to study this phase of the workers if they desire to end the reign of terror now prevalent in Cleveland.

These are but a few of the evils of the non-union shop, and any others can be logically dealt with in a like manner, and we merely describe them to show that the position of the "open-shopper" is insincere and dishonest and that the only reason the employer can give for such an unmoral condition of the worker is his desire to pose in our community as the autocrat of those he employs. Yet, under the present system of large industrial institutions, there is no reality to his autocracy, for he is not virtually in charge of those he employs, and the menace to society that has its birth in this desire is of such a nature that it behooves the employer to hesitate and

to willingly sacrifice this position, and do something that will assist in bringing about a better civilization and a more harmonious condition among all the people, for while in the old days when the employer was an autocrat who employed two or three workers, and could ignore interdependence, that day has also passed, and the only true citizen is he that is willing to subserve self to the selfishness of the whole.

Now that we have described the co-called "open shop" and demonstrated the fallacy of the exponents that their kind of an "open shop" is one in which non-union and union workers are employed, it would be well to illustrate just what is happening and what is the aim of those employers in this city who have locked-out their men because they would not accede to their desire for the "open shop" which would mean giving up their union, and we might say right here that even the employer is recognizing that there is some good in trade unionism, if he is willing to compromise by employing union men if they will sign a contract that they will no longer belong to a union. If the non-union men were the most efficient he would not have the union men under any circumstances, but the truth of the matter is that the unions have demonstrated their worth, even in creating efficiency among their members, and the employers want this efficiency and no doubt a better right of exploitation of the individual worker, which is dishonest to say the least, when we recognize the other good things that have been brought about through trade unionism.

As an illustration, we shall first take up the present lock-out of the Metal Polishers, for it can hardly be called a strike. The men demand first, the right of organization, and second, a consistent wage, based on the wages paid other skilled workers. If the question were one of wages alone, the present position of the employer would be deplorable, for one of the proprietors who is now employing non-union men, stated:

I have 13 men working for me at this time, and I am paying them the wages demanded by the union men, but I am sure that I could get as much work from three of my old men as I get from the thirteen.

This is evidence that it is not a matter of cheap employes giving results, and it is in line with what was said by Mr. Redfield some years ago, that he could manufacture engines under union wages and union conditions in New York, send

them to China, and sell them there at a more reasonable profit than those made in China by cheap Chinese labor and the long hours of work prevalent in the Orient.

The Pattern Makers have been out of work for many months here, and the employers, like those in the metal trades, want the non-union shop. The union men have refused to give up their union, and the shops have been trying to lead the public to believe that they are operating as usual. And yet these employers are busy trying to get injunctions against the union men, prohibiting them from picketing the plants and intimidating the men employed. This would be ridiculous if it were not tragic, for every man with a grain of sense knows that no employer cares how many men are in the neighborhood of his plant, when his force is full and all are competent men. The reason for the action of the employers in this case should be apparent to all. They have been losing money and expected long before this that the strikers would be discouraged through lack of work. But the union men, in their work of picketing the shops, also know what is going on, and this knowledge that the employer is losing money gives them continued courage. Ergo, the employer wants an injunction to limit the pickets to one, believing that when the union men are at home and have no first-hand knowledge of the real conditions in the plant, he will become discouraged and return to work. Shrewd, you say, but we in the labor movement have been confronted with the nefarious machinations of the employer for years, and yet we have said little about it, for we believe the time will come when the honesty of the worker will shine more brightly because of the handicaps he must overcome by reason of the dishonesty of the employer. The greatest surprise to the workers is the fact that certain judges will issue and sustain injunctions because of the plea of the corporations' attorneys, when they know that only through the hirelings of the corporation is there a chance of danger to property or the lives of their employes, and of this we can furnish instances where their paid tools have deliberately and maliciously destroyed property and endeavored to place the blame on organized labor.

Next we have the lockout of the Journeymen Tailors, and this will give another phase of the unions' stand. That these men were locked out cannot be denied, because they asked only a continuation of the conditons that prevailed, the year



previous to the termination of their contract, and the merchant tailors insisted that they go back to a piece-work system and naturally give up the union.

The conditions under the piece-work system were so immoral and degenerating that in other trades where work was taken into the homes, the law stepped in and demanded it cease. Not so with the tailors, but the workers themselves decided that they would do their work in regularly established shops, and work by the week. This system was established, and the workers were all of the impression that everything was harmonious between them and the bosses, and lo! and behold the Chamber of Commerce came out for the "open shop" and even today it is said that these moneyed men are backing the merchant tailors, and this in the face of the fact that the Consumers' League, in its bulletin, points out the evils of the home work, where children with sickness play on the goods their father and mother and older sisters and brothers are fashioning into suits for the men who are always first in the effort to have all employed and to raise funds to take care of those who are not able to care for themselves.

While it is absolutely true that these non-union tailors are receiving the support of the members of the Chamber of Commerce, let us get a little light on this lockout. The excuse of the merchant tailor, and his only excuse, is that the workers in the shop will not give a day's work and that therefore the consumer is compelled to pay so much for a suit. This excuse, however, had its inception, when the Chamber of Commerce went out for the "open shop", and guaranteed to back the merchant tailors. The cost, if there be any, is one that the consumer should be glad to pay, when he recognizes the benefit he alone receives by a guarantee of cleanliness and immunity to disease, to say nothing of the moral effect on the community. But let us go a little further. The worker, in all honesty, believed the time had arrived when he, as the head of a family, could earn a wage to keep his wife and children, and the employer, who had been selling his clothes and getting his price, now insists that it is not a question of payment so much as having the man accomplish as much in a day in the shop as he formerly did by working 14 and 18 hours a day, and having his wife and children also assist in the work. This he cannot do, but he is willing to give an efficient eight hours to the employer at a rate about

equal with what he received for one person's work of eight hours under the piece-work system. The employer will not accede to this, but insists on forcing the work back into the home, and by making all the members of the family assist in the work, early and late, and under all conditions, force many workers in this craft out of work. The union men and women know why the employers who urge the open shop want to force the workers back to the piece work and home work system, because the home work and piece work eventually creates unemployment, thus forcing the man who sells his labor into a condition where he must lid against his fellow worker for a chance to earn enough to live, but it seems a pity that society will permit this group of employers to re-establish a sweat-shop condition here in Cleveland, in the tailoring industry, a breeding place for illiterates and criminals, when our people are trying to eliminate these breeding spots in other places. This is one thing that society at large should correct and do as the Consumers' League does, and when this matter has been corrected, let the merchant tailor make his fight for the non-union shop on some other pretext.

There are many other evils in the so-called "open shop", and the employer who has but one idea with reference to labor, and refuses to recognize the human equation in the productive end of his enterprise, can pay huge sums to certain one-track minds to so clothe these evils that to one not actually engaged at manual labor, either skilled or unskilled, in a large industry, they will almost appear as virtues, yet when dissected, and disrobed, they will appear as evil as the ones logically dealt with here.

The employer who desires to destroy all the rights the workers may have or may gain in the future, knows that any semblance of organization among the workers makes for the betterment of all, and to effectually exploit the worker he must successfully eliminate every vestige of organization among the toilers. We feel sure that the good that has resulted from organization will prevent this, and a knowledge of the aims and objects of the organized workers by those not connected therewith, will make friends and supporters that will so augment the ranks of the workers that in the near future they will, by their united effort, bring about the aims they desire.

In this article we have pointed out the inconsistency of the

"open shop" advocates, but we cannot effectually close without the following from an address delivered in this city by John H. Walker, President of the Illinois State Federation of Labor:

The man or woman who wants to place the working man and woman of our country in a position where they will be helpless and at the mercy of the employers, compelled to submit like animals to their dictation in every phase of their lives, is not only not just, or not a real American, but that they are not even selfishly intelligent because in the light of the past history of our country and our people all open-minded, intelligent observers must know that the American working man and woman citizens will never submit to any impositions that puts the taint of slavery on them in any way, and as long as there is effort being made to establish that kind of an imposition on them, there will be nothing but strife continually, and the stronger the effort, the more wide-spread and intense will be the strife, (particularly industrial strife) as well as suffering and misery in our country, until it is ended,—and it is not only right that we should have a union shop, but it is the only way in which the worker can get any real consideration. It is the only intelligent way of adjusting relationships between the worker and the employer—the only American way—the only civilized way. Besides, it is my solemn judgment that it is the only safe way.

By that process we will not only adjust all the problems that we have now, on the basis of the nearest thing of fairness that we can figure out, but it means that every problem that we may have in the future will be adjusted rationally, intelligently, on the basis of fairness peaceably. It means the rational road to a higher civilization. The other road is the way back to the feudal ages, to the caveman era, towards savagry and barbarism. It is the road of the beast amongst men.

So much for the "open shop." In the near future we will take up its opposite, the "union shop", and logically and truthfully illustrate what its aims are, what evils it corrects, and how and what it would mean to society at large if it were recognized by all employers.

## SUMMARIZED CONCLUSIONS <sup>1</sup>

Sufficient data were analyzed to warrant the following main conclusions concisely stated here and discussed at length in this report and the sub-reports.

1. The conduct of the iron and steel industry was determined by the conditions of labor accepted by the 191,000 employees in the U.S. Steel Corporation's manufacturing plants.
2. These conditions of labor were fixed by the Corporation, without collective bargaining or any functioning means of conference; also without above-board means of learning how the decreed conditions affected the workers

Interchurch World Movement.

<sup>1</sup> Report on the Steel Strike of 1919, Commission of Inquiry of the

3. Ultimate control of the plants was vested in a small group of financiers whose relation to the producing force was remote. The financial group's machinery of control gave it full knowledge of output and dividends, but negligible information of working and living conditions.
4. The jobs in the five chief departments of the plants were organized in a pyramid divided roughly into thirds; the top third of skilled men, chiefly Americans, resting on a larger third of semi-skilled, all based on a fluctuating mass of common labor. Promotion was at pleasure of company representatives.
5. Rates of pay and other principal conditions were based on what was accepted by common labor; the unskilled and semi-unskilled force was largely immigrant labor.
6. The causes of the strike lay in the hours, wages and control of jobs and in the manner in which all these were fixed.
7. *Hours*: Approximately one-half the employees were subjected to the twelve-hour day. Approximately one-half of these in turn were subjected to the seven-day week. Much less than one-quarter had a working day of less than ten hours (sixty-hour week).  
The average week for all employees was 68.7 hours; these employees generally believed that a week of over sixty hours ceased to be a standard in other industries fifteen to twenty years ago.

Schedules of hours for the chief classes of steel workers were from twelve to forty hours longer per week than in other basic industries near steel communities; the American steel average was over twenty hours longer than the British, which ran between forty-seven to forty-eight hours in 1919.

Steel jobs were largely classed as heavy labor and hazardous.

The steel companies professed to have restored practically pre-war conditions; the hours nevertheless were longer than in 1914 or 1910. Since 1910 the Steel Corporation has increased the percentage of its twelve-hour workers. The only reasons for the twelve-hour day, furnished by the companies, were found to be without adequate basis in fact. The increased hours were found

to be a natural development of a large scale production, which was not restricted by public sentiment or by organization among employees.

The twelve-hour day made any attempt at "Americanization" or other civic or individual development for one-half of all immigrant steel workers arithmetically impossible.

8. *Wages*: The annual earnings of over one-third of all productive iron and steel workers were, and had been for years, below the level set by government experts as the *Minimum of subsistence* standard for families of five. The annual earnings of 72 per cent. of all workers were, and had been for years, below the level set by government experts as the *minimum of comfort* level for families of five.

This second standard being the lowest which scientists are willing to term an "American standard of living," it follows that nearly three-quarters of the steel workers could not earn enough for an American standard of living.

The bulk of unskilled steel labor earned less than enough for the average family's minimum subsistence; the bulk of semi-skilled labor earned less than enough for the average family's minimum comfort.

Skilled steel labor was paid wages disproportionate to the earnings of the other two-thirds, thus binding the skilled class to the companies and creating divisions between the upper third and the rest of the force.

Wage rates in the iron and steel industry as a whole are determined by the rates of the U. S. Steel Corporation. The Steel Corporation sets its wage rates, the same as its hour schedules, without conference (or collective bargaining), with its employees.

Concerning the financial ability of the Corporation to pay higher wages the following must be noted (with the understanding that the Commission's investigation did not include analysis of the Corporation's financial organization): the Corporation vastly increased its undistributed financial reserves during the Great War. In 1914 the Corporation's total undivided surplus was \$135,204,471.90. In 1919 this total undivided surplus had been increased to 493,048,201.93. Compared with the wage budgets, in 1918,

the Corporation's final surplus after paying dividends of \$66,382,027 and setting aside \$274,277,835 for Federal taxes payable in 1919, was \$466,888,421,—a sum large enough to have paid a second time the total wage and salary budget for 1918 (\$452,663,524), and to have left a surplus of over \$14,000,000. In 1919 the undivided surplus was \$493,048,201.93, or \$13,000,000 more than the total wage and salary expenditures.<sup>1</sup>

Increases in wages during the war in no case were at a sacrifice of stockholders' dividends.

Extreme congestion and unsanitary living conditions, prevalent in most Pennsylvania steel communities, were largely due to underpayment of semi-skilled and common labor.

9. *Grievances*: The Steel Corporation's arbitrary control of hours and wages extended to everything in individual steel jobs, resulting in daily grievances.

The Corporation, committed to a non-union system, was as helpless as the workers to anticipate these grievances. The grievances, since there existed no working machinery of redress, weighed heavily in the industry, because they incessantly reminded the worker that he had no "say" whatever in steel.

Discrimination against immigrant workers, based on rivalry of economic interests, was furthered by the pres-

<sup>1</sup> Detailed figures on the Corporation's surpluses, accumulation of which was begun in 1901, are:

1913—Total undivided surplus.....	\$151,798,428.89
1914—Total undivided surplus.....	135,204,471.90
1915—Total undivided surplus.....	180,025,328.74
1916—Total undivided surplus.....	381,360,913.37
1917—Total undivided surplus.....	431,660,803.63
1918—Total undivided surplus.....	400,888,421.38
1919—Total undivided surplus.....	493,048,201.93

This report does not go into the long dispute over the Corporation's financing, a controversy which blazed up during the strike but not as a part of the issue. A typical criticism printed about this time was the following from the *Searchlight*, commenting on Basil Manly's analysis of Senate Document 250, (a report from the Secretary of the Treasury):

"On the basis of the Steel Corporation's public reports, its net profits for the two years 1916 and 1917, 'after the payment of interest on bonds, and other allowances for all charges growing out of the installation of special war facilities,' amounted, according to Mr. Manly, to \$888,931,511. The bonds of the corporation represent all the money actually invested in the concern, for the common stock is 'nothing but water.'"

"Of course out of the net income the Steel Corporation had to pay its taxes to the federal government, but the hundreds of millions that remained represented earnings on 'shadow dollars.'"

ent system of control and resulted in race divisions within the community.

10. *Control*: The arbitrary control of the Steel Corporation extended outside the plants, affecting the workers as citizens and the social institutions in the communities. The steel industry was under the domination of a policy whose aim was to keep out labor unions. In pursuit of this policy, blacklists were used, workmen were discharged for union affiliation, "under-cover men" and "labor detectives" were employed and efforts were made to influence the local press, pulpit and police authorities. In Western Pennsylvania the civil rights of free speech and assembly were abrogated without just cause, both for individuals and labor organizations. Personal rights of strikers were violated by the State Constabulary and sheriff's deputies.

Federal authorities, in some cases, acted against groups of workmen on the instigation of employees of steel companies. In many places in Western Pennsylvania, community authorities and institutions were subservient to the maintenance of one corporation's anti-union policies.

11. The organizing campaign of the workers and the strike were for the purpose of forcing a conference in an industry where no means of conference existed; this specific conference to set up trade union collective bargaining, particularly to abolish the twelve-hour day and arbitrary methods of handling employees.
12. No interpretation of the movement as a plot or conspiracy fits the facts; that is, it was a mass movement, in which leadership became of secondary importance.
13. Charges of Bolshevism or of industrial radicalism in the conduct of the strike were without foundation.
14. The chief cause of the defeat of the strike was the size of the Steel Corporation, together with the strength of its active opposition and the support accorded it by employers generally, by governmental agencies and by organs of public opinion.
15. Causes of defeat, second in importance only to the fight waged by the Steel Corporation, lay in the organization and leadership, not so much of the strike itself, as of the American labor movement.

16. The immigrant steel worker was led to expect more from the twenty-four International Unions of the A. F. of L. conducting the strike than they, through indifference, selfishness or narrow habit, were willing to give.
17. Racial differences among steel workers and an immigrant tendency toward industrial unionism, which was combated by the strike leadership, contributed to the disunity of the strikers.
18. The end of the strike was marked by slowly increasing disruption of the new unions; by bitterness between the "American" and "foreign" worker and by bitterness against the employer, such as to diminish production.

The following question was definitely placed before the Commission of Inquiry: Were the strikers justified? The investigation's data seem to make impossible any other than this conclusion:

The causes of the strike lay in grievances which gave the workers just cause for complaint and for action. These unredressed grievances still exist in the steel industry.

*Recommendations:*

I. Inasmuch as—

- (a) conditions in the iron and steel industry depend on the conditions holding good among the workers of the U.S. Steel Corporation, and—
- (b) past experience has proved that the industrial policies of large-scale producing concerns are basically influenced by (1) public opinion expressed in governmental action, (2) labor unions, which in this case have failed, or (3) by both, and—
- (c) permanent solutions for the industry can only be reached by the Steel Corporation in free cooperation with its employees, therefore—

It is recommended—

- (a) that the Federal Government be requested to initiate the immediate undertaking of such settlement by bringing together both sides;
- (b) that the Federal Government, by presidential order or by congressional resolution, set up a commission representing both sides and the public, similar to the Commission resulting from the coal strike; such Commission to—



1. inaugurate immediate conferences between the Steel Corporation and its employees for the elimination of the 12-hour day and the 7-day week, and for the readjustment of wage rates;
2. devise with both sides and establish an adequate plan of permanent free conference to regulate the conduct of the industry in the future;
3. continue and make nation-wide and exhaustive this inquiry into basic conditions in the industry.

## II. Inasmuch as—

- (a) the administration of civil law and police power in Western Pennsylvania has created many injustices which persist, and—
- (b) no local influence has succeeded in redressing this condition, therefore—

It is recommended—

- (a) that the Federal Government inaugurate full inquiry into the past and present state of civil liberties in Western Pennsylvania and publish the same.

## III. Inasmuch as—

- (a) the conduct and activities of "labor-detective" agencies do not seem to serve the best interests of the country, and—
- (b) the Federal Department of Justice seems to have placed undue reliance on cooperation with corporations' secret services, therefore—

It is recommended—

- (a) that the Federal Government institute investigation for the purpose of regulating labor detective agencies; and for the purpose of publishing what government departments or public moneys are utilized to cooperate with company "under-cover men."

- IV. It is recommended that the proper Federal authorities be requested to make public two reports of recent investigations of conditions in the steel industry, in making which public money was spent, and to explain why these and

similar reports have not hitherto been made public, and why reports which were printed have been limited to extremely small editions.

(Reference is made specifically to Mr. Ethelbert Stewart's report on civil liberties in Western Pennsylvania, made to the Secretary of Labor; to Mr. George P. West's report made to the War Labor Board; to the Testimony of the Senate Committee's strike investigation, 2 vols., printed in an edition of 1,000 only; and to Senate Document 259.)

V. It is recommended that the Industrial Relations Department of the Interchurch World Movement continue and supplement the present inquiry into the iron and steel industry with particular reference to—

1. Company unions and shop committees;
2. Social, political and industrial beliefs of the immigrant worker;
3. Present aims of production in the industry.
4. Conduct of trade unions with reference to democracy and to responsibility.

VI. It is recommended that immediate publication, in the most effective forms possible, be obtained for this report with its sub-reports.

## THE OUTSIDER IN LABOR DISPUTES <sup>1</sup>

The spokesmen of the various employers' associations assert that the right to hire and fire belongs wholly to the manufacturer. The unions and their sympathizers deny this. Everything else turns upon this fundamental conflict. It is easy to see why this is so. If the employer can fire and hire at any time for any reason that seems good to him, then the worker is like a tenant without a lease dealing with a landlord who can issue his own notices of eviction. The unlimited power of discharge naturally means the unlimited irresponsibility of the worker. For an industry from which he can be evicted at any time can obviously make no claim upon him. If he can be fired when it suits his employer, he works to suit

<sup>1</sup> New Republic. 25:92. December 22, 1920.

himself. When prices are high and the demand for labor is brisk he puts his labor up at auction and follows the highest pay without compunction and without regard to the future. For him there is no future that he can take into account. Even if he makes himself liked with the boss, and is familiarly called Jack, he does not know that a new foreman won't take a violent dislike to him four weeks hence. And all the while he knows perfectly that if prices fall, he may be on the street.

That loyalty, cooperation, harmony, and zeal do not flourish easily when a man has no stake in an enterprise is, we believe, everywhere admitted. What does the excellent advice about owning a home spring from except the knowledge that a man will not care for a community in which he is a mere transient? What are the schemes for distributing stock to employees but an attempt to create more permanent bonds between the worker and his industry? Well, the recognition of the worker's equity in his job is not only more important than home ownership or stock ownership; it is the only condition under which they are tolerable. To own a home when at any day you may have to move out of town is not to acquire property, but an entanglement. It is to jeopardize everything including your savings. For if the job is insecure in the sense that it depends upon the will or the whim of the employer, then there is no use preaching loyalty to the industry, a stake in the community, or personal thrift.

It is, therefore, no idle phrase when people characterize the "open shop" campaign as radically anti-social and morally destructive.

## LABOR AND THE OPEN SHOP<sup>1</sup>

We cannot agree with Senator Poindexter that what is known as the "open shop" will remedy the evils which he so clearly points out. Theoretically every worker, whether he be a hand-worker or brain-worker, "should be free to pursue his vocation as one of his inalienable rights." But the history of trade-unionism shows that in our industrial system the workman was not free to pursue his vocation when the "open shop" was the prevailing condition in factory, mine, railway, and

<sup>1</sup> Outlook (editorial). 125:11. January 5, 1920.

workshop. The open shop meant the absolute control of the worker by the employer. Skilled artisans throughout the civilized world have come to believe, and we think their belief is justified by their experience, that trade unions have greatly improved their material condition. The open shop, with the essential right which it confers on the employer to fix wages, to determine conditions and hours of labor, and to discharge at will, has come to be as abhorrent to the wage-worker as Senator Poindexter says the trade union is to the employer.

Out of the seventy-four years' struggle for supremacy between capital and labor has grown the present system of collective bargaining between organizations of employers and organizations of workmen. Whether we like it or not, we can no more go back to the open shop, which means the unquestioned supremacy of the employer, than we can go back to the hand loom for our clothes or to the town crier for our news. We can palliate the evils of the two warring camps in industry, the combinations of capital in one camp and the trade unions in the other, by compelling both to submit to the regulation of law. But the evils can be removed only by going forward, not backward.

What is the goal of such forward progress? Partnership between capital and labor instead of antagonism and war-fare.

Is there any prospect of such a goal being reached? To us the prospect seems brighter to-day, in spite of the crippling strikes in productive industry, than it has been for twenty-five years.

The promise for the future lies in the rapid spread among both employers and employees of the idea of what is called in general terms Industrial Democracy, or in specific language the Shop Committee Plan. The fundamental principle of this idea is that the wage-workers shall have, through the election of delegates or committees, some voice in the management of industry, especially as regards hours and conditions of labor, productive efficiency, and profits. If, through the practical application of this principle, capital and labor can be converted from inimical and mutually suspicious antagonists into partners working for mutual interests and with mutual confidence, American industry may enter upon a phase of productive efficiency and creative satisfaction such as it has never known before in its entire history.

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## STATEMENT ISSUED BY THE NATIONAL CATHOLIC WELFARE COUNCIL <sup>1</sup>

The Social Action Department of the National Catholic Welfare Council makes the following statement:

The "open shop" drive of certain groups of American employers is becoming so strong that it threatens not only the welfare of the wage earners, but the whole structure of industrial peace and order. Employers sometimes favor the "open shop" because they do not want to be limited in the employment of men to union members. But the present drive is not of that kind. The evidence shows that in its organized form it is not merely against the "closed shop," but against unionism itself and particularly against collective bargaining. Of what avail is it for workers to be permitted by their employers to become members of unions, if the employers will not deal with the unions? The workers might as well join golf clubs as labor unions if the present "open shop" campaign is successful.

The "open shop" drive masks under such names as "The American Plan" and hides behind the pretence of American freedom. Yet its real purpose is to destroy all effective labor unions, and thus subject the working people to the complete domination of the employers. Should it succeed in the measure that its proponents hope it will thrust far into the ranks of the underpaid the body of American working people.

The Bishops of the National Catholic War Council who issued the program of Social Reconstruction said: "It is to be hoped that this right—the right of labor to organize and to deal with employers through representatives will never again be called into question by any considerable group of employers." The Archbishops and Bishops of the United States in their Pastoral Letter proclaimed again "the right of the workers to form and maintain the kind of organization that is necessary and that will be most effectual in securing their welfare."

During the war the National War Labor Board recognized and protected a genuine kind of "open shop", one which assured the non-union man freedom and the members of the union the right of collective bargaining. That is not the kind of "open shop" for which the drive is now being made.

<sup>1</sup> Statement issued in multigraphed form, November, 1920.

The unions were necessary even during the war when working-people found their labor in great demand. They are still more imperative now, and they must keep their strength and grow. Otherwise we shall see a repetition of the old bad days when the workers were utterly dependent upon their employers.

There is great danger that the whole nation will be harmed by this campaign of a few groups of strong employers. To aim now at putting into greater subjection the workers in industry is blind and foolhardy. The radical movements and disturbances in Europe ought to hold a lesson for the employers of America. And the voice of the American people ought to be raised in the endeavor to drive this lesson home.

### STATEMENT ISSUED BY THE FEDERAL COUNCIL OF THE CHURCHES OF CHRIST IN AMERICA

Release Monday, December 27, 1920

Federal Council of the Churches of Christ in America

DEPARTMENT OF INFORMATION

Jasper T. Moses, Director

105 East 22nd Street, New York.

#### *Church Commission Questions Fairness of "Open Shop" Movement*

A statement bearing on the present "open shop" agitation has been issued by the Commission on the Church and Social Service of the Federal Council of the Churches of Christ in America. The questions raised by the commission are of especial significance in view of the revelations of the Lockwood housing investigation in New York. The statement voices the representative Protestant view on the "open shop drive" which is in thorough accord with the recent utterance of the National Catholic Welfare Council.

The statement of the Commission on the Church and Social Service is as follows:

The relation between employers and workers throughout the United States are seriously affected at this moment by a campaign which is being conducted for the "open shop" policy—the so-called "American Plan" of employment. These terms are now being frequently used to designate establishments that are definitely anti-union. Obviously, a shop of this

kind is not an "open shop" but a "closed shop"—closed against members of labor unions.

We feel impelled to call public attention to the fact that a very widespread impression exists that the present "open shop" campaign is inspired in many quarters by this antagonism to union labor. Many disinterested persons are convinced that an attempt is being made to destroy the organized labor movement. Any such attempt must be viewed with apprehension by fair-minded people. When, for example, an applicant for work is compelled to sign a contract pledging himself against affiliation with a union, or when a union man is refused employment or discharged, merely on the ground of union membership, the employer is using coercive methods and is violating the fundamental principles of an open shop. Such action is as unfair and inimical to economic freedom and to the interest of society as is corresponding coercion exercised by labor bodies in behalf of the closed shop.

It seems incumbent upon Christian employers to scrutinize carefully any movement, however, plausible, which is likely to result in denying to the workers such affiliation as will in their judgment best safeguard their interests and promote their welfare, and to precipitate disastrous industrial conflicts at a time when the country needs goodwill and co-operation between employers and employees.

## THE UNION SHOP AND THE "OPEN" SHOP<sup>1</sup>

Agreements for the closed shop, says the court, are void because they tend to create a monopoly; because they discriminate against workmen who are not members of unions.

Think of the absurdity of this argument!

Does not any contract with A exclude B, C, D, and all the rest? Let the reader mentally question himself somewhat as follows:

"If I have work to do am I bound to give it to a dozen men instead of to one man?"

"If I am a real estate owner and build a whole row of houses must I employ as many architects and contractors as there are houses in the row?"

"If I am an owner of a mill and need raw material for the production of cotton cloth must I buy my cotton of a number of parties?"

"Does any law prohibit my making a contract with one planter for all the raw cotton I need?"

What difference is there between buying raw material or tools and machinery and employing labor?

Is the employer obliged to make individual contracts with workmen?

Is it the business of any one whether he employs union men or non-union men?

<sup>1</sup> Samuel Gompers, in pamphlet "Open Shop Editorials."

If it is not, and he chooses to make a contract with a union, has anybody the right to object? . . .

A manufacturer may buy all his raw material, all his machinery, from one company. No one is idiotic enough to tell him that he must patronize a dozen different companies. Why may he not buy all his labor of one union? He may close his shop to all manufacturers of raw material except one; he may not, if he be "American," close his shop to all workmen but those who are members of a given union which offers to supply him with labor. . . .

And why should not the union man work with and beside the non-union man? That, frankly, is none of the employer's business. Labor is under no obligation to justify its likes and dislikes to him. We were constantly told that supply and demand regulated the employment of labor, and that the market was free and should remain so. This being the case (we grant it for the argument's sake), the workman may say to the employer that he will not work for him except on certain terms, which terms may include an agreement on the employer's part to engage no men obnoxious to him.

These propositions cannot be denied. No one has been hardy enough to contend that union men may be *compelled* to work with non-union men, or that the former may, by law or judicial process, be prohibited from striking against the employment of the latter. In view of these facts, what life or meaning is there left in the "open shop" proposition? . . .

As was pointed out in the open letter issued by the Executive Council of the American Federation of Labor, we do not deny the right of the non-union man to work where, when, and for whomsoever he pleases. We simply insist upon the same right of all union men to refuse to associate with them in factory or in the club, and we insist upon our right to tell employers that they must have either union shops or non-union shops. They will not bully us into working under objectionable conditions by affecting to believe in any straw or impossible "principle." If they want our labor, they must make it pleasant for us to work for them. . . .

Since every man has the right to sell his labor as he sees fit, he has the right *not to sell it* to the employer who wants an "open shop."

Every man has the right to say: "I will not work for you



unless you make a contract with the union to which I belong, and agree to employ none but members of that union." To say that he may not say this is equivalent to saying that he must sell his labor, not as *he* sees fit, but as the employer sees fit. . . .

Even if all the courts in the country should decide that the union shop contract is illegal, an impossible supposition, the union shop would not disappear. The only result would be that no such contract would be made; the condition would be enforced without written contract.

You can not, the courts of the whole United States can not, force American citizens to work for employers they do not trust or like, or associate with workmen they do not like or respect.

Men can not be imprisoned for refusing to work under certain conditions and the injunction can not be employed in such a case. . . .

So much for this, for the open shop nonsense is general. As to our friends, the clothiers, fair newspapers have pointed out that even those who do not like the union shop prefer it to the sweat shop. We quote the following from the *Boston Transcript*, a conservative and dignified newspaper:

Some years ago, when the shops were "free and open," the employment of an American in the clothing shop was the exception. The garment maker took advantage of unrestricted immigration, and filled the sweat shops with the cheap labor of distressed European refugees until the conditions became so appalling that society stepped in and laws were enacted to improve the sanitary condition of the shops and limit the hours of labor of women and children. The manufacturer who had brutalized the clothing operatives by taking advantage of the supply of labor in the market was compelled to halt by the exercise of a vigorous humane public sentiment, not by their own disposition.

Now it is all very well to talk about the "old American system" and win a little applause for seeming patriotism, but it is not within reasonable comprehension that a return to the primitive conditions of clothing manufacture in this country is possible. The sweat shop is distinctly un-American, and anything which tends to bring it back must be resisted by an enlightened public sentiment. Indeed, if we are to return to a distinctly American system we must go back of the sweat shop to the time when the wool was cut from the back of the sheep, carded, and spun and the clothing made at home. . . .

The unions, through the "closed" shop, abolished the sweat shop and secured for the garment workers the right of contract, an "American" right, and decent conditions.

We could call attention to a symposium in the July number of the *Monthly Review* of the Civic Federation on the question of the "closed" shop. Eight lawyers discussed the Adams opinion and only one of them, a corporation and trust

attorney of Chicago, upheld the view that a union shop contract is void and contrary to public policy. Some of these articles used language nearly as that which we, a lay critic, used in our editorial last month. Let us give a few extracts:-

Mr. John Frankenheimer, of New York, says: "There can be nothing illegal in the efforts of unionists to make the shop in which they work a union shop, that is, to agree with the employer as a condition of rendering services to him that he will employ only members of the union. The employer is at liberty to refuse to limit employment to unionists, but if he does this the unionist must be at liberty to cease to work for him, that is to strike."

Mr. John B. Parsons, of New York, writes: "They (workmen) may strike without notice and under circumstances which are most favorable to the accomplishment of their wishes, even if most injurious to their employers, always provided that they do not resort to criminal means or to anything which is in the nature of intimidation or violence, and equally do I understand that in the absence of statutory legislation to the contrary it is the right of employers to employ or not to employ whom they choose, and to make with their workmen any agreements which are for mutual interests, etc."

Mr. William V. Rooker, of Indianapolis, says: "It is to be supposed that if some paper manufacturer were to agree that for a certain price for a certain quality he would for a certain time furnish the *Chicago Tribune* all its white paper, that contract, according to Judge Adams, would create a monopoly and be void . . . Judge Adams seems to be suffering from judicial strabismus to the extent that he can not see that the employers' constitutional right to contract would be destroyed rather than conserved by such a rule."

Mr. Jackson H. Ralston, of Washington, D.C., writes: "The learned court ignores the fact that labor is property, so to speak, in the hands of the laborer quite as much as a right to do business is property in the hands of the head of a mercantile establishment. . . . Suppose they (organized workmen) unitedly determine not to labor in association with negroes or under a red-haired foreman or with men of another nationality, why may they not do so? In so doing they simply dispose of their own property as deemed meet by them."

Mr. Louis D. Brandeis, of Boston, writes: "It does not interfere with an employer's right of contract to induce him to

enter into a certain contract. Every contract which any person enters into interferes in some way with his future freedom of contract of other action. The "right of contract" is the right to restrict one's freedom of action. No sufficient reason suggests itself why he (an employer) should not be permitted to agree in advance for a limited time or until further notice to employ only union men."

## THE OPEN SHOP CRUSADE<sup>1</sup>

In Chicago, at a business men's convention, one of the speakers assures his colleagues that "in a little while the union labor man will be eating out of his employer's hand." In New York a semi-public employment service reports that while jobs were plentiful two months ago, "now we are lucky if we place one-fifth of those who are seeking work." In Detroit, Philadelphia, Cleveland, every other industrial centre in the country, organized labor is excitedly whipping together some sort of defence against an expected assault by capital. Every straw in the wind indicates that a large group of dissatisfied employers, taking advantage of a moment when it is profitable to suspend production rather than dump goods on a falling market, are preparing to launch against union labor perhaps the greatest offensive of the last dozen years.

Locally, in this struggle which seems to be impending, the issues may be varied and complex. Nationally, one issue will overshadow all the others. Away with the autocracy of labor! will be the battle-cry. Give us the Open Shop! Already this cry is raised. In a statement that has rallied all those employers who want "a show-down," the chairman of the Republican Publicity Association in Washington brands the closed shop as "exclusive, monopolistic and domineering." It is "rule or ruin." It destroys "the independence of the individual," spells disaster for production, transcends, in short, "anything dreamed of by rapacious monarchs."

If an attack upon the unions is in fact impending, it will be the most natural thing in the world for employers to dub it a crusade for the open shop. That battle-cry will be used again, just as it has so often been used in the past, because it is the most effective anti-union weapon. It can be so

<sup>1</sup> New Republic. 25:28-30. December 8, 1920.

phrased as to appeal to something Americans have been taught to esteem, though not always able to attain: freedom of choice for the individual man and woman. Why should any man be obliged to "join a union" for the privilege of going to work where and as he chooses? What is the advantage of getting rid of one autocracy only to become victim of another?

The answer of many labor leaders, of course, is that only by presenting a united front (i.e., through the closed shop) can an existing autocracy be done away with and the reactionary employer prevented from ruling his shop as despot. To banish an autocracy that actually exists, it is worth while to run the risk of substituting an autocracy that is still largely theoretical. Moreover, argue these leaders, the risk is never great; since the trade union, unlike the factory, is capable of control by popular referendum of its personnel. From this starting-point the argument branches off in a hundred different ways. Turn from that argument for the moment: how integral a part of labor's fighting program has the demand for a closed shop ever been? If "the menace of the closed shop" is much more than a paper menace, a bogey to be raised at a convenient moment, then the record of industrial conflict in America will show that foremost among the causes of great strikes has been the demand of labor for the closed shop.

As a matter of fact the record shows nothing of the sort. The history of conflict between the union and the modern "trust" dates, perhaps, from Homestead (1892). Was the closed shop the issue of the Homestead strike? No. Carnegie Brothers and Company simply warned the unions that if they did not accept its wage scale then Carnegie Brothers and Company would proceed to deal with its employers as individuals. Preservation of the union was the definite issue upon which the strike began. It lasted five months; ended with the unions defeated and the strong-arm tactics of the employer justified. Three other great strikes marked that troublesome year, and in none of them did the issue of the open shop figure any more substantially. The miners' strike in the Coeur d'Alène district of Idaho, still the most spectacular of all industrial struggles in America, was a strike against periodic wage reductions. The switchmen's strike in Buffalo aimed at a ten-hour day. The coal-miners of Tennessee struck in protest against the competitive use of convict labor. Of four great strikes in 1892, strikes still fresh in the memory of em-

ployers and of labor, not one was for the closing of a shop. A threat against the life of one union, periodic wage reductions for another, a workday of more than ten hours, the use of convict labor—these were the causes, none too creditable to capital, which provoked strikes that tied up industry for many months.

Through the history of industrial conflicts in the years which have followed, the story is much the same. The Mine Workers' strike of 1894 was directed not towards a closed shop but against a further cut in wages. The Pullman strike in Chicago, which led to the arrest of Eugene Debs and other leaders, and to the calling out of federal troops by President Cleveland, was a strike for the restoration of wages that had been paid the previous year. Where was the closed shop issue at Lowell or at Paterson, or in that anthracite coal strike which brought President Roosevelt into the controversy? Long hours, attempts to reduce wages, attempts to destroy every vestige of union labor power—these, and not the issue of the closed shop, have been the most fruitful causes of industrial warfare in America. We have, in the last year or two, had threats of strikes on the part of the railway workers. Never has the closed shop been the issue. In one instance it was hours; in another, wages. We have had a strike of coal-miners. The issue, again, was hours and wages. We have had a steel strike, four months of misery for many thousands of men and women; nowhere among the demands of the strikers was there an ultimatum for the closed shop. It was, in fact, for an *open* shop, in the sense that union men might work alongside non-union men in blast-furnaces and rolling-mills, that so many workmen downed their tools and fought the most powerful trust of modern times.

In short, those employers who attempt habitually to focus the attention of the public on the issue of the open shop, and upon that issue to the exclusion of every other, are neglecting in their enthusiasm those very factors which have steadily been the cause of trouble in the past. It is not hard to see why this should be the case. Workdays that run to twelve hours; shifts that sometimes keep a man on duty eighteen hours at a stretch; wages that do not match the government's own figures for an income necessary to maintain a decent standard of living; a policy of discharging able workmen simply because they are members of a union, and of keeping

them out of future jobs by virtue of the "black-list"—these are factors productive of industrial warfare, but factors which the reactionary employer cannot easily justify in the public's eyes. Result: to shift the issue, to conceal his real fears and hopes, the reactionary employer dwells upon the closed shop and the peril it will bring.

The issue of the open shop, nine times out of ten, is a smoke-screen behind which the reactionary employer can mass his guns for a totally different sort of attack. That is the first fact to be remembered as we approach the conflict which is threatening today. And the second fact is that responsibility for the struggle, if the struggle comes, rests on the side of capital. Consider the situation. A combination of special circumstances has indeed produced in many of our larger cities a closed shop in the building trades—and the same set of special circumstances, we believe, rather than the fact of the closed shop itself, has turned those building trades into a disgrace to organized labor; but in no other industry has the closed shop gone equally far, or followed the same set of ethics. The railway brotherhoods, with power to fight for a closed shop, have preferred the open shop, trusting to the good sense of non-union workmen to join the brotherhood once they witness what it can accomplish for its members. That is generally the case wherever union labor is established. Is there one instance today, in the whole country, of a single important union threatening to strike for the closing of a shop? Labor is nowhere taking the offensive. That fact, perhaps, seems too obvious today to be worth recording. But later on, if the battle is begun, the powerful engines of the press will be brought into service to prove the whole war was willed by union labor.

Union labor is on the defensive. If the attack of the reactionary employers comes, the unions will turn of course to the public for assistance. They will trust that the public has accepted the principles of trade unionism. No doubt the public's response would be heartier had the leaders of union labor shown more interest in that factor which the public is most interested in. This factor is production. And while the old-line chieftains of the American Federation of Labor have regularly declared themselves interested in production, they have never proposed labor's willingness to undertake part responsibility for it. They have, in fact, done their best to beat

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own proposals like the Plumb Plan which aimed at just that responsibility on labor's part. Organized capital would, of course, have fought bitterly against such a change in labor's status; but by broadening the base of their pyramid so as to represent in larger measure the interests of the unorganized public as well as the workers, trade union leaders would have entrenched themselves more strongly for the battle which they face today.

Those employers who want to "go to the mat with labor" are in an odd position. After inveighing against labor for more than two years for its failure to increase production, here they are—now proposing to cut down production not because the world has less need of goods but because they want to safeguard prices. Meantime many of these employers are preparing to don armor and uphold the open shop. What they really mean—had they the courage to say it—is that they are preparing for an assault upon trade unionism. It will be a misfortune if they succeed in breaking union strength. Trade unionism is a necessary safeguard against exploitation, the one adequate means of organizing a supply of labor. When the unions have the privilege of coming into any industry on a preferential basis (i.e., neither a closed shop nor a non-union shop), and when these unions are open to any working man or woman who wishes to enlist, a premise is established for the growth of democratic power. But when that premise has been challenged, when the reactionary employers of the country seek a chance to crush the unions, then the fight becomes the public's fight as well as the cause of union labor.

### UNION AND THE OPEN SHOP<sup>1</sup>

A well-known employer has said, "The existence of unions shows that we have not done our duty as employers." This candid remark has been repeated as though it explained the cause of the existence of labor unions. If this explanation be true, then the trade unions are only temporary expedients whose mission is fulfilled when the grievances that brought them into being are redressed. That seems plausible as a quick and off-hand solution of the perplexing labor problem.

<sup>1</sup> Henry White. American Economic Association. Proceedings. 4:173-82. 1903.

If we investigate more closely, however, we find that the movement of the wage-workers has quite another aspect; that while ill treatment has something to do with its existence, it only partly accounts for it. It is seen that this phenomenon is world-wide, that it is social as well as economic, that it is peculiar to all countries where the modern productive system exists, that it is as pronounced in localities where the conditions are most favorable and where the workers are skilled and well paid. The student soon ascertains that the unions represent a working class struggle, a striving upward of that great useful element in society which, with the single exception of the guild, has always been mute and defenseless. The labor union movement implies an orderly effort, not only to wrest concessions from the employer, but also to secure recognition from society. It is a movement which seeks to change the present standards by which the laborers' share in production is decided, and disputes the right of the employer alone to determine what fair treatment should be. The distinction is fundamental, and is the difference between democracy and autocracy. In reality it is industrial democracy that the unions aim at, and it is that which brings them into harmony with the world-wide tendency of the times. The individual members may not be conscious of this purpose, but such is the effect of their action. The mere coming together of the wage-workers to consult is a departure that leads to far-reaching consequences.

What the employer whom I have referred to had in mind was the old conception of just treatment by simply giving his employees what he in his own opinion could afford. A sweater can offer the same reason. An employer who does not contend that he is paying as much as his business will allow would be a curiosity. Furthermore, no matter how good an employer's intentions, he can not allay the discontent with economic conditions; and owing to the limitations of competition, it would even be beyond his power individually to concede to his workmen conditions substantially better than prevailing standards. So we see that the problem is not a matter of the liberality of the individual employers, but of general conditions that can be improved only by a uniform upward pressure which the wage-worker himself must apply. In doing this he must encounter the opposition of employers, who naturally object to being disturbed, and who resent interference with their time-honored prerogatives. It does not follow from this situation



that the unions are arrayed against capital and that they are naturally hostile to employers as such; it is simply a condition that must be met. There is really no way of knowing what an employer can afford to pay or of deciding what an equitable division of the joint product should be, except by means of this forcing process and the balance reached as a result of such contention. The friction is largely overcome where employers appreciate this function of the union and are prepared to treat with it, not as something to be afraid of, but as a necessary factor in industrial progress. It would not handicap the employer disposed to be just to have a minimum rate of wages upheld, for it would improve his position as a competitor.

Such a recognition of the working class struggle is involved in the union shop, for it expresses the willingness of the employer to treat with his men on terms of equality and to allow them representation. The great consideration is to permit workmen to have a voice in the shop—to have some control over the conditions of employment. The recognition of that democratic principle means more to the worker than reading rooms, baths, and pension funds, which, under the guise of benevolence, undermine the independence of the employee. A manufacturer noted for that kind of philanthropy told me that it makes unions unnecessary.

We now approach the most sensitive part of the question, the status of the non-unionists. In order to maintain their position in the open shop, the union men are obliged either to exclude the non-unionist or to induce him to join with them. A partly organized shop, and that is called "free" or "open," is untenable, for either the non-union men will in time have to join the union or the union men will be obliged to withdraw. They are incongruous elements, and one or the other in time must give way. The unionists have cause to feel that they are at a disadvantage working side by side with the non-members, who receive the favor of the boss and prevent concerted action on their part. Besides, unless all employees are bound by an agreement, the employer could eventually replace the union workmen by men who make individual bargains.

Consider the case of a shop in which the workmen, in order to present a just demand, unanimously organize and succeed in their contention. Then suppose they do not insist upon the exclusion of non-union men. In time the union men for-

sake the union or are superseded by non-union men. Disorganization follows, and the old conditions are restored. Under the stress of a common grievance they again organize and gain their object. Unless permanent organization is maintained by the majority's refusing to work with delinquent members or objecting to the introduction of non-union men, their previous experience would be repeated indefinitely without making headway. The presence even of a single workman acting independently serves to frustrate the purpose of all. This is the heart of the question. Let those whose sensibilities are offended by the harsh methods resorted to put themselves in the workman's place and tell us what they would do.

In applying ethical standards, existing conditions must be sidered. If all workmen understood their interests and acted consistently, the disagreeable features of labor unions would be unnecessary. It is the same deficiencies common to humanity that make governments coercive, but this sort of coercion we accept habitually. It is not an ideal condition where the pay of the artisan is measured by his resisting or offensive strength; nor is it so where Jones is made to work for less than his services are worth because Smith, who is more in need of a job and willing to live on less, can be induced to accept a lower wage. The best situation is where both sides are so strong that neither can afford to ignore either the claims of the other or the influence of public opinion. This is the condition favorable to arbitration.

When a union undertakes to exclude workmen from membership,—action which, in a state of thorough organization, is equivalent to debarring them from employment in their trades,—it wields a power which is public in character and which subjects it in the exercise of this power to the judgment of public opinion. The unions are therefore called upon to justify their actions in every case of exclusion or expulsion from the union.

Unions are showing an increasing consciousness of their responsibility in this respect by providing rules of procedure and courts of appeal. This is perfected where national unions have control over local unions. The national executive boards are directed by their constitutions to entertain appeals, thus eliminating the personal considerations which actuate local unions.

It is incumbent upon unions to act generously toward offenders, so as to reduce as far as possible the number of work-

men debarred from the union. In fact it is to their larger interests to do so, otherwise the disqualified men would so increase as to threaten the union's position.

The mooted question arises as to how far the unionist can properly go in influencing the non-unionist. The right to persuade no one will deny, although courts have essayed to interfere with it. The right to ostracize or to refuse to associate with draftsmen who are indifferent to their common welfare is questioned. If that be wrong, then it is equally wrong for professional men to shun others of their calling accused of "unprofessional conduct." It is also wrong for merchants to taboo other tradesmen who disregard the ethics of their business. It would in fact be wrong for any one to refuse intercourse with another because of misconduct. Ostracism has always been a potent moral force, moral because peaceful and because depending upon the co-operation of others. It is perhaps the strongest influence in upholding social standards.

I do not wish to be understood as favoring the coercion of the non-unionist, because I recognize that labor unions must be founded upon the voluntary consent and good will of a majority if they are to endure; but some forcing is unavoidable in the movements of great numbers, especially in an aggressive movement that has immediate objects to attain and in which the interests of all are closely allied. It cannot be expected that the mass, that is, the organized part, will wait for the consent of every individual before it moves, the same as in the case of nations. Those who stand in the way of the rest have got to step aside or join the procession. Even those who may disagree with the policy of the majority can influence its course by acting with it. Where the majority, however, becomes oppressive and there is no hope of correcting its policy from within, it becomes the duty of even the dissenters to withdraw for the time being by way of protest, and should that be ineffective, to form another union in opposition to it, but always with the idea of eventually creating unity. The harmony that now pervades the labor movement is the result of the secessions and revolts against bad and corrupt management. Such means have always been the safeguard against tyranny and wrong tendencies, and the improvement in methods of government is chiefly due to the same means.

The methods by which the non-unionist is driven into the union seem arbitrary to those unacquainted with the circum-

stances, seem like a denial of his personal liberty to force him to join against his will, seem a coercing of the employer into driving an employee into the union against his interests. As a matter of fact, however, the non-unionist has nothing to say for himself; the employer alone is solicitous about his independence, and for motives easily divined. The scruples that the non-unionist is supposed to have against joining the union evidently exist only in the mind of the employer, for when the non-unionist finds his way into the union he becomes as zealous as the rest. He finds that instead of losing his liberty he actually gains it, and that he shares equally in the benefits of the improved conditions secured through the efforts of the others. Workingmen, knowing what actuates the non-unionist, disregard the delicate considerations which arouse the indignation of outsiders. They know that workmen remain aloof from the union, not from conviction, but for no other reason than indifference and short-sighted selfishness. Usually it is due to a doubt as to the willingness and ability of other workmen to act together; and consequently when the union succeeds in inducing the employer to compel them to join or leave the shop, they feel as though a union able to accomplish such a miracle is strong enough to benefit them.

Unions concerning the rights of the non-union men that do not take into account his relations to other workmen and the conditions which surround them are bound to be erroneous, just as are discussions of the status of an individual without regard to his relation to society. A workman entering a modern shop is at once made subject to uniform rules and conditions. His pay is determined by what the others get; should he work for less it would serve to depress the wages of the rest. His lot is cast with his class, and his paramount duty, therefore, is to support their solidarity. The workman who wants to work for less wages has lately received much attention. That remarkable being has not yet been put in evidence. If there be such a person, he ought to be made the subject of a sanity expert, rather than the subject of discussion by political economists.

The resort to violence by workmen is not to be tolerated, and from an economic standpoint it is unwise. Physical force is inconsistent with the benevolent purpose of the labor movement; and if successfully employed, would be emulated by other workmen and would lead them to rely upon it rather than on

the moral strength of their cause. A movement dignified by exalted aims and inspired by the brotherhood spirit, if it depended upon brute force as a means, would soon degenerate into a mob. The provocation to use force is intense under the trying circumstances of a strike, the same as it is among ordinary citizens when their indignation is aroused through some outrage; but to indulge in it would justify the antagonism of society, compelled, as it is, to protect itself against such aggressions. The supreme aim of organized society is to make personal vengeance unnecessary, to diminish the necessity for physical force, to make reason and justice govern human affairs. It is true that the labor movement, owing to its newness, is still to an extent held in distrust by society; its welfare, however, would be best served by winning public favor, and to gain that favor it must merit it. This view I am sure is supported by every labor official; it is incumbent upon them not only to disavow any sympathy with lawlessness, but also to convince the membership that they do not secretly approve of it even where it may appear to serve their ends.

I do not intend to make a lawyer's plea for the union, to emphasize its good points and hide its weaknesses. The labor movement possesses such elements of strength that its deficiencies can be candidly admitted in order that they may be more readily corrected. To seek to destroy unions because of their defects would be like attempting to abolish government because of its abuses. The unions with all their faults represent a forward stride to the human race. They cultivate a spirit of self-reliance and mutual assistance which ought to more than compensate for their faults. Their shortcomings are the shortcomings of the average individual of which they are composed. While some of their actions cannot be defended on economic grounds, it may be said that workmen only share in the general ignorance of economic principles, and that they are merely enabled through organization to give effect to the opposition to improved methods. The hardships caused by inventions fall more heavily upon them and they naturally regard them from the standpoint of their temporary and immediate interests rather than the point of view of society.

To prevent excesses of the union is a grave question. It is to the likelihood of abuse of the power so suddenly placed in the laborers' hands that the distrust of unions is due. Those who suddenly acquire power are unable to measure its limitations or

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to realize the responsibilities that go with it. This much, however, can be said to allay this apprehension: As the unions become stronger and gain in experience, they lend to conservatism, and their rashness is but the evidence of crudeness. The hard and stern conditions confronting them can be relied upon to keep them within bounds. The employers, when hard pressed, can seek refuge in combination, and they have shown themselves to be as capable in that respect, at least, as the workmen. The problems which they raise are but the problems of democracy. Where people try to assert and govern themselves they become troublesome. The simplest condition is despotism, political or industrial; it consists merely in allowing someone else to decide what is best for yourself. Democracy is the stormy sea over which the bark of humanity must sail. Better progress under such difficulties than the dead calm of subjection.

## TRADE UNION IDEALS<sup>1</sup>

The ideals of trade unions differ. The ideals of the so-called unskilled worker differ in degree from the ideals of the so-called skilled worker. The ideals of the new recruit differ from the ideals of the veteran unionist. Some trade unions are but business corporations, devoting their time and money to the protection of the draftsmen enrolled in their union, perhaps devoting some time to the protection of affiliating unions, that is, of workmen who may possibly be able to take the place of their more advanced craftsmen in the event of an industrial battle. Some unions remain practically outside of the active labor movement; the higher ideals of trade unionism have not entered into the minds of their leaders; they do not discuss questions of mighty import save as they affect their own craftsmen's interest. The great body of the trade unions, however, are not merely business corporations for the protection and the advancement of the interests of their members only; they are affiliated one with the other in all matters pertaining to the best interests of all wage-workers, in the union and out of the union.

In the earlier days of trade unionism, handicapped as it was by legislative enactments and arbitrary and unjust treat-

<sup>1</sup> George E. McNeil. American Economic Association. Proceedings. 4:215-22. 1903.

ment, exacted in the name of law yet really in defiance of law and justice, there was but an ideal of improved conditions. The child of the mill, of whom Mrs. Browning sang in her "Cry of the children," had hardly a dream of anything outside of the weary monotony of its labor; but when the hours of labor were reduced and childhood in a slight measure relieved of the crushing pressure of drudgery, then needed rest led to the ideal of leisure, of opportunity; and as the movement of the unions gained strength in finance and in membership, the ideal of larger wealth, with its opportunities of greater comfort in the home, took possession, and so during the century past higher ideals dawned in the minds of the leaders and of the led. The most beastly habits and customs of the barbarism of long hours and low pay gave way to more civilized habits and customs when the shorter workday arrived. The great co-operative establishments of England really owe their rise and owe their present magnitude to the ideals of trade unions and of labor men.

One of the ideals of the trade unions is that of securing freedom of contract—a freedom that cannot be obtained by the individual wage-worker unless such worker has a monopoly of a certain kind of skill absolutely necessary to his employer. It may be said that all the battle of the unions for recognition are battles for the obtaining of the power of freedom of contract. Strange as it may seem, the demands for nearly every measure of relief and remedy made by the trade unions have been met with a claim that such relief or remedy, by legislation or otherwise, would destroy the great right of freedom of contract. The minds of many men have been confused upon this question of freedom of contract. Many men believe that the freedom of contract between employer and employee exists, but trade unionists know that it does not exist, except where the trade union is strong enough to maintain it.

It is well understood that a contract supposes two parties, and that whatever tends to put one of these parties under the power of the other destroys the freedom of the contract. As I have said in another place and at another time, under the wage system no congregated form of labor is conducted on the theory of freedom of contract. At a hearing before a legislative body the treasurer of a large manufactory was asked if he ever consulted with his help with reference to the matter of wages. His answer was, "Do you suppose I

run my establishment on the town-meeting plan?" In other words he confessed, as all employers confess that he did not propose to allow any freedom of contract between himself and his employees. Employers do not confess this in words, but they confess it by their acts. The employer claims the right to name the conditions, the wages, and the hours of labor under which the laborer shall work.

The man who is forced to sell his day's labor to-day or starve tomorrow is unable to exercise any freedom of contract. The system under which the employer can wait to buy labor until starvation compels the laborer to sell at the price fixed by the employer is tyrannical. The delivery of one's property to a highwayman at the point of a pistol does not imply freedom of contract. It must be remembered that the present industrial system rests upon the power of the class of employers or capitalists to compel the laborer to work at such price and under such conditions as the employer or capitalist may dictate. There can be no freedom of contract under such conditions, and where there is no freedom of contract there is slavery. As the employer or capitalist is not dependent upon any one individual wage laborer, excepting perhaps in some very rare instances, the laborer has but one recourse if he wishes to obtain something of his liberty, and that recourse is his association with other laborers in such numbers as to be able to compel the employer or the capitalist to stop production.

The opportunity for the nearest approach to freedom of contract is when a powerful labor organization has attained a membership covering practically all the craftsmen; that is, when an employer cannot employ help or such help or such quantity of help as he requires unless such help are members of a union. In such a case the employer himself or his representative and the representative of the employees meet on measurably equal terms—provided always that the trade union organization is strong enough to enable the members to remain from work for such a length of time as will so diminish the capital invested in the enterprise as to compel a conference or to cause bankruptcy.

The charge that there is great danger to public welfare from the trade unions becoming monopolies is of the same character as the charge that there is great danger to private property in the establishment of a democratic form of govern-



ment. It is true that people possessing the right of the elective franchise may exercise that right by taking possession of private property; but no true American feels that his liberty of life, limb, and the pursuit of happiness or of his other property is really endangered under a republican form of government, because in the event of the democracy's taking possession of private property it could not be for private benefit and must, therefore, be for the public benefit, and under such conditions fair compensation would be given for the property taken. In the past certain kinds of property have been taken possession of in our states, almost noiselessly and certainly harmlessly, so that to-day the percentage of public property has been largely increased.

The trade unions claim that the wage-laborers through their unions shall fix the price and the conditions under which the laborers will sell their time, endurance, and skill; and it is simply ridiculous on the part of any one to claim that the wage-workers ought not to have this right, and having this right it is safe to say that they ought to be able to exercise it. The laborer is the merchant of his own time, and his labor is practically the only commodity in the market upon which the price is fixed by the buyer instead of by the seller. There is absolutely no tyranny in the trade union theory that the sellers of labor have the same right to sell their commodity that sellers of other commodities have.

"The fathers declared that all men are born free and equal; born possessed of certain inalienable rights, among which are the right to life, liberty, and the pursuit of happiness. The right to life, liberty and the pursuit of happiness under governmental law, is forfeited by the performance of certain acts contrary to public safety and the common weal. The right to life may not be forfeited in certain other instances by law, but the life and the liberty and the happiness of great multitudes of men are forfeited by no act of their own; and this loss of human and property right in life, liberty, and the pursuit of happiness may not be due to pestilence, war, or famine, but it may be due to the political, religious, industrial, or social systems extant. In some times and in some countries a man may lose his life or his liberty by the expression of an opinion that may be a common expression of a general opinion in other countries or other times. In such an instance the act of the government in taking a life or in depriving a man

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of liberty would be termed tyrannical. A man may lose his life and is sure to lose his happiness and a measure of his liberty because of his inability to obtain employment at such remuneration and under such conditions as will tend to his continued happiness. If the lack of such employment is due to an industrial or social system, then such system can be properly termed tyrannical.

The advanced trade unionist believes that the humblest wage-worker has property rights as well as human rights, and that it is impossible to separate the laborer's human rights, from his property rights. The so-called political economist has been blind and still is blind to the laborer's side of the question, that is, to the laborer's property rights; and the confusion in the minds of the so-called educators is largely due to the false and foolish theories that make up what is called the science of political economy, many of the propositions and assumptions of which are shown to be false. When we begin to recognize and acknowledge the laborer's property rights we shall have taken a considerable step out of the existing chaos into an orderly and scientific arrangement of data. The trade unions are in advance, in fact are the teachers of the schools; and great as is the cost of the battle between employers and laborers, it is an economic expenditure compared to the waste that has resulted and will result if we continue to follow the blind leaders of the blind. The property rights of the laborer must secure ampler protection than is now afforded if we wish to maintain our present civilization.

The great governing law of wages rests upon the habits of thought, and feeling, upon the customs and manners of the masses. Where the level of thought is purely physical or animal, groveling with the swine it feeds, occupied in discussing the fighting merits of game-cocks or men, and where the custom exists of working all the hours, possibly occupying the hours of holidays and other periods of rest in filth and drunkenness, in that locality or condition wages will be paid to the level that will enable the laborers to enjoy themselves in their existing low condition. To disturb this class of men from their sottish contentment by an agitation for more wages or less hours is to lift them up in the level of their manhood to thoughts of better things and to an organized demand for the same.

The instinct of the people is sometimes wiser than the

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philosophy of the schools. The wage-workers, unionists and non-unionists, have an instinct that they are deprived of certain property rights by force of law and that this deprivation of the exercise of this right is in violation of moral law. Even where trade unions have not existed and industrial battles have occurred it is held to be an immoral act for a man to take the place of any one on strike. By some one it has been termed the thirteenth commandment, "Thou shalt not take another man's job." The great body of non-unionists as a rule live up to this moral law. Out of this instinct or belief is fast growing the additional belief that the wage-worker has an equity right, a property right in his product outside and above that for which he has received wages.

It is an ideal of some trade unions that the capitalist and the employee should be joint partners in production, and that the participation in the results of the joint partnership should be equitable to both parties. The trade unions recognize that under the present industrial system the person who furnishes the tools, that is, the plant or whatever is necessary for production, should receive some compensation for such use, and that when all necessary reserve funds have been created to take care of the depreciation and contingencies, and the employer or employing capitalist shall have been paid a fair sum for whatever services he renders in the joint production, then the employee should be an equitable sharer in the balance.

### UNION OR NON-UNION SHOP, WHICH?<sup>1</sup>

The union shop is democracy in industry. The right of employes to bargain collectively, to have a voice in working conditions, is recognized.

In the non-union shop this democracy is unknown. Paternalism and autocracy are the rule. The employer is absolute. He is the sole judge of working conditions. He sets hours and wages and tells his employes they may accept same or quit their employment. If the worker quits, and suffering to his wife and children result, the employer calls this "freedom of contract."

This employer dislikes the terms "non-union" shop, so he

<sup>1</sup> Frank Morrison, Secretary American Federation of Labor. New Majority. 5:10. January 22, 1921.

refers to his plant as "open" shop. The term is misleading and is intended to deceive. The inconsistency of the so-called "open" shop employer is shown when he says he makes no distinction between union and non-union employees and then fills his plant with spies to report any union employee who has been discovered discussing the value of trade unionism.

These employers know that in this age of organization it is unwise to announce that they are opposed to trade unions. So they employ just enough trade unionists to serve as an alibi against the charge that they oppose trade unions, but they do not employ enough trade unionists to dispute the employer's absolute and complete control over working conditions. If these organized workers advocate trade unionism they are discharged.

The unions hold that organized labor sets the standards for workers and that it is just as logical that all workers assist in maintaining these standards as it is for all citizens to pay taxes.

The so-called "open" shop employer would not approve a citizen shirking his duties as a taxpayer, but does favor his employees shirking their duties to their fellows. The reason for the latter position is apparent. The employer profits by this shirking, which permits him to set wages, hours and working conditions. But more than this he retains complete power over his employees.

### *Employees Pay for "Welfare"*

He may arrange welfare societies in his plant. He may have a system for those employees who serve him faithfully, and who just as faithfully abstain from trade union membership. He may conduct a system of athletics and recreation for his employees and provide them with model work rooms, but above and beyond all these there is no element of democracy in his plant. He denies his employees collective bargaining, and therefore controls the lives of these workers. He sets their living standards. He orders. His workers accept. They are denied an equality enjoyed by union shop employees.

Non-union shop employees accept the welfare work of an employer, but they do it at the price of their liberty. Their grievances are subject to the good will of the employer. He may remedy them, but he does it because he is a "good boss" and not because his employees stand up as men and demand justice.

If the grievance is not adjusted the employe must accept onerous conditions or quit. If an individual quits, that is nothing to the employer.

*Just Like Slave-Holders*

Fundamentally there is no difference between the non-union shop employer and the slave owner before the civil war. In both cases the employer and the slave owner are absolute. Both provided amusement for their workers. The slave owner prided himself on being "a good master." The non-union employer says, "I protect my employes."

In neither case was the slave or is the employe permitted to protect himself.

In the union shop this autocratic rule does not exist. Here, the employes have a collective voice in working conditions. The employer concedes that democracy in industry is possible and that welfare work is not a substitute for democracy. The union employer is not interested in welfare work or in "protecting" his employes. He treats them as Americans who can furnish their own amusements and recreations. Company doctors, company nurses, etc., are unknown among union employers.

The non-union shop employer ignores these fundamentals. He would conceal his slave theory—his mastership over his employes and their working conditions—by talking about the so-called "open" shop, the glory of independence, and "the tyranny of the unions," while he himself denies independence and proves that tyranny can exist, though he attempts to conceal it with a velvet glove.

## ORGANIZED LABOR CANNOT SUBMIT TO THE "OPEN-SHOP" MENACE<sup>1</sup>

The following timely appeal is published in a leaflet by the Central Labor Union of Philadelphia, which requests labor organizations to reprint it and distribute it as widely as possible:

"The open shop is the open road to disaster for organized workers. It is the open road to mastery by the employing class. That is why intelligent workingmen oppose it; that is why employing masters favor it.

<sup>1</sup> National Labor Journal. 15:2. January 28, 1921.

"For workingmen it is the entering wedge by which organization is slowly strangled, wages are reduced, hours lengthened, and the rank and file are reduced to servile submission to heartless bosses.

"Nowhere else in the modern world do the employing masters oppose the unions as they do here. A tremendous drive is being made by the employing class all over the country to crush unionism. Millions of dollars have been contributed for the purpose. Quietly gathering their forces, getting the aid of chambers of commerce and civic organizations, the masters of industry seek to establish unchallenged domination through the 'open shop.'

### *Closed Shop in Europe*

"In England the struggle has been long fought to a conclusion. The same is true of Canada. In both countries the right of organization of shop and factory, mine and mill, is conceded. It has been eliminated from the realm of controversy. But the workingmen of 'free America' are forced to fight for an elemental right that is taken for granted in countries where monarchy itself still survives.

"The 'open shop' is related to 'Americanism' by our enemies. No more class hypocrisy has ever been displayed. The slave pens of the Gary steel trust are typical examples of open-shop Americanism. Although the eight-hour day has been long ago conceded in the steel industry of England, Germany and other countries, the United States is the only country in the world where workingmen work twelve hours per day and seven days a week. This is open-shop 'Americanism.'

"Organization is forbidden. He who talks it, is discharged. He who attempts to organize is slugged. Spies of the companies swarm in the mills. They slink in the streets, in the pool-rooms, in the movies, at public gatherings, everywhere that workingmen gather the company spy is present. Suspicion, fear, distrust and hatred brood over the workers. The friend working by their side may be a spy. Life is filled with this brooding menace, that dogs their heels. This is open-shop 'Americanism.'

### *Garyism and Welfare Work*

"'Welfare work' of the open-shop masters of Garyism is substituted for unionism, together with the 'company union.'

Homes are purchased from the company by the workers on easy payments. When a real strike comes this 'welfare work' is seen to be a scourge to whip the slaves back to their pens. The workers are evicted from their homes, except those who consent to betray their brothers by going to work. It places a premium on treachery. This is open-shop 'Americanism.'

"The 'company union' is a plaything of the employing masters. The workers 'organize' like sheep under the eyes of the bosses. Officials are chosen to preside over this abortion of unionism. Any genuine grievances cannot be discussed under the eyes of the agents of the masters. He who attempts it soon finds that he is discharged for some trivial reason. The workers are cowed. They submit to injustice and merciless robbery. This is open-shop 'Americanism.'

"Brothers in the army of labor: Shall we submit to what our brothers in the monarchies of Europe will not tolerate? To do so would be to brand ourselves as craven cowards and merit the contempt of our children. It would be to play false to the martyrs of the labor movement in this country. Our fathers, beginning in the '20s of the last century, formed their first enduring unions. Some went down in ruins, but their sons rebuilt them again and again. Through struggles, disappointments, sacrifices and defeats, they struggled on through the '40s, the '50s, and the '60s.

"Then came the Civil War, and the unions all but disappeared. With peace a new generation took up the old task and through the nineteenth century repeated this struggle. Now we are in the twentieth century and at the end of a war to 'make the world safe for democracy.' Safe for any country but the United States; safe for the employing masters of industry.

### *Is This Americanism?*

"What a travesty! We are called to the fields of Flanders while these employing upstarts remained at home and accumulated enormous gains. Some of our brothers lie in graves across the Atlantic. Many have returned and they are now told by the employing upstarts that organization of labor is "un-American!" Would that our brothers now lying in the fields of France, would witness this spectacle in the country for which they gave their lives! Yet the masters tell us this is open-shop 'Americanism.'

"Shall we submit? Shall we permit this stark impudence,

this attempt to capitalize patriotism for dirty material ends, to go without rebuke? Shall we permit the masters of industry to identify Americanism with their bank accounts?

"No, a thousand times, no! Without organization of labor in industry, workingmen are helpless to contend with the mighty power of organized capital. The employing class demand and secure organization for themselves and would deny it to us. This is impertinence and greed compounded. The workers will organize for betterment and fraternize for mutual protection. There can be no democracy in the workshop that rests on the autocratic will of the owners. It is industrial slavery.

The open shop means the supremacy of the employing masters. The union shop means the democracy of labor meeting with the bosses on equal terms and capable of warding off injustice and tyranny. The open shop is bogus patriotism. This union shop means a humanist spirit in industry. The open shop means the spy, the sneak, low wages, long hours, suspicion, treachery and vast profits for the employing masters. The union shop means fraternity, better wages, shorter hours, trust in each other and a collective voice in determining conditions of work.

"Take no account of what a mercenary daily press may say. Most of the daily papers will be against us. Rely on yourselves. Your vast numbers give you power. By dividing you they weaken you. The struggle is on, and each of us should be glad to participate in the best cause that has come to us in a generation.

"Away with the open shop, with its fake 'Americanism!' Onward to the union shop, with its fraternity, its democracy, its collective help, its unity of ideals and service to each other!"

## THE OPEN SHOP<sup>1</sup>

The hypocrisy of the "open shop" crusade being conducted by associations of employers is made manifest by the almost unanimous endorsement of all large employers whether their shops are open or closed. Had the campaign been confined to those employers who are restricted in the employment of labor to trade-unionists there might have been a semblance of sincerity in their effort to abolish the closed shop. The employ-

<sup>1</sup> National Labor Journal. 15:4. January 28, 1921.



ers were quick to discover their error, however, and are now masquerading under the name, "American plan."

The real motive back of the "open shop" movement, or "American plan," is the disruption of trade unionism, and the defeat of collective bargaining. It is hypocritical for the employers to say that they are not opposed to trade-unions, but demand merely the right to deal individually with their employes instead of with their chosen representatives. What good would it do a man to belong to a trade union if his union were denied the right to represent him? When collective bargaining is denied, the unions might as well close up shop.

The organized employes are not the only ones affected by the open shop crusade. The welfare of every wage-earner is at stake in this fight. The trade union is the only bulwark against greedy and avaricious capital; the trade unions established in America what is today considered a high standard of wages and working conditions, and did it in spite of and over the opposition of organized capital. This standard can only be maintained and improved by the workers collectively.

The one and only object of the "open shoppers" is to defeat collective bargaining, thus having a free hand in establishing wages and conditions of employment to suit themselves. The principle of collective bargaining has been established after a long struggle against the forces of profit and greed, and will not be surrendered.

## COLLECTIVE BARGAINING<sup>1</sup>

Collective bargaining means that the organized employes of a trade or industry, through representatives of their own choosing, shall deal with the employer or employers in the making of wage scales and working conditions. Collective bargaining is the only practical proposal for adjusting relations between the management and the workers in a business way, assuring a fair deal to both sides.

Each individual joins with his fellow workman to ask collectively for better wages and conditions of employment that he could not secure through his own efforts alone. An employer of, say, five hundred men, has an unfair advantage if he deals with them as individuals. To make the employes equal in

<sup>1</sup> Pamphlet by Samuel Gompers, 1920.

power and influence to the employer they must be organized, and through regularly chosen representatives, meet the employer on a common footing. By conceding points on each side an agreement can be finally reached that will maintain better relations and therefore greater industrial peace.

In no other walk of life does the idea exist that a man must arbitrarily accept any offer that may be made by another. There are two sides always to an agreement. Each side ought to have equal chances to propose and insist upon what it considers a fair agreement.

Industrial peace can be secured only by the righting of wrongs suffered by the workers. If a body of workers has a grievance it can be adjusted only through conferences with the employer or his representative. As all can not meet the employer at one time it is necessary for them to select representatives to carry out their will as expressed collectively. This right is identical with that always held by the employer and never challenged by the law or the public.

In all spheres of activity in which employers, business men, public men and citizens generally have any matter in which their interests are involved, they not only avail themselves of appearing by their own representatives and counsel of their own choosing, whether in litigation before the courts or in business relations, but they are guaranteed even by the constitution of our country the right to be heard by counsel. The claim of the workers in this respect is founded upon the same fundamental beneficial principle—the right of the workers to be represented by counsel (not lawyers), representative of their own number and of their own choice.

For instance, in great industries such as the iron and steel industry, the employes have nothing to say as to their wages and working conditions. They work twelve hours a day and every two weeks, in changing from day to night work, they are compelled to remain at their tasks for twenty-four hours straight. This has been the practice since the industry has been organized into corporations. There have been much opposition and grumbling from the employes, but these have never reached the heads of the corporations, or if they did, found no response.

The employes were unorganized. Collective bargaining, except for a short time years ago with a small number of highly skilled employes, was unknown. The great mass of workers had no voice in what they should receive. If a superintendent or

foreman wished to change the conditions of employment, he could do so without question, as each department is expected to produce a certain amount in value. The straw bosses pinched and schemed to do it. The only way they ever tried was to take something away from the employes. They never considered that most efficient production could be secured only when agencies for assuring justice to employes and best management and working conditions were established. It was this sort of industrial servitude that culminated many times in great strikes in the steel industry. It brought the strike of 1919. The head of the great corporation in that industry refused to meet representatives of the employes even to hear their grievances. If collective bargaining had been in force in that industry the twelve and twenty-four hour day would have disappeared years ago, and it would have been accomplished without a strike. Now the responsible head of that corporation knows so little of what the steel workers are thinking that he even asserts that they want the twelve-hour day.

As the employes were employed as individuals and kept apart by racial, creed, national prejudices and other means, they could not unite to submit their grievances until they became members of trades unions. They could not understand each other, nor could they succeed in eliminating the causes that had formerly kept them in isolated and hostile groups.

Collective bargaining in industry does not imply that wage earners shall assume control of industry, or responsibility for financial management. It proposes that the employes shall have the right to organize and to deal with the employer through selected representatives as to wages and working conditions.

Among the matters that properly come within the scope of collective bargaining are wages, hours of labor, conditions and relations of employment, the sanitary conditions of the plant, safety and comfort regulations and such other factors as would add to the health, safety and comfort of the employes, resulting in the mutual advantage of both employers and employes. But there is no belief held in the trades unions that its members shall control the plant or usurp the rights of the owners.

Collective bargaining takes into consideration not only mutually advantageous conditions and standards of life and work, but also the human equation, a consideration too long neglected.

*Application of Principles*

*Q. What is collective bargaining?*

A. Simply a business proposition by which the organized employees in a trade or industry deal collectively with their employer or employers.

*Q. How is this accomplished?*

A. The employees in their union appoint a committee to draw up new wage scales and working conditions. These are reported to the union for consideration. Then in regular meeting each question is taken up and discussed from every angle. Finally the union agrees upon a wage-scale and working conditions to submit to the employer. A committee for this purpose is selected, as the entire number of employees can not meet in conference with the employer. This committee meets the employer or his representative and discusses the desires of the employees collectively through their union.

*Q. Does this committee have full power to act?*

A. No. It must report back to the union the result of its conference with the employer. If the report is satisfactory the union approves the settlement and an agreement for a stated period is signed by both parties. If unsatisfactory, further conferences with the employer or his representatives are held until an agreement is reached.

*Q. What advantage has such a joint agreement?*

A. It removes friction that always exists where employees have no voice in the making of their wages and conditions of employment. It is democracy in industry as opposed to autocracy. The employees know what they are to receive for a certain period and therefore can plan ahead in buying a home or making improvements in their standard of living.

*Q. Does collective bargaining protect the employees?*

A. Yes. Employees can not be discharged at the will of a "straw boss." Charges against them must be made, and after a trial, if they are found true, then the offenders can be discharged. If untrue, they retain their positions.

*Q. What effect does this have on the "straw bosses"?*

A. It makes them more careful. They are not so arbitrary or do not seek trouble. It brings about mutually better feelings and relations.

*Q. Does the fact that an employee can not be discharged without cause make him more independent and likely to create friction?*

A. No. Men who are placed on their honor, which is the result of collective bargaining, feel they have an interest in the plant and make every effort to carry out the union agreement. They are not nagged, brow-beaten or coerced. They take an interest in their work and the result is a better output and a lower turnover of labor. Their initiative powers are not curtailed and because of that they try to create new methods that will be of benefit to the business. They are men and not mere machines, and this results in better feeling between employers and employees.

*Q. Can unorganized employees bargain collectively?*

A. Not with a certainty that they will be treated fairly. Unorganized employees are subject to influences that will hamper their efforts for fair bargaining.

*Q. Why?*

A. Being unorganized they can not agree collectively to any proposition that will benefit them, as the influences referred to will divert them into accepting less than that to which they are entitled.

*Q. What are these influences?*

A. Men employed as individuals always retain the fear that they are to be discharged or have their wages lowered whenever the employer sees fit to do it. They are not in a position to enter objections to their working conditions because of these same fears. They are voiceless in their own affairs because they can not act collectively. Each is suspicious of the other. Some feel that they are overlooked by the employer while others are favorites who receive all the best work. Jealousies are created. Discontent is rife. Therefore when the unorganized employees all meet together to decide what they shall ask the employer

they become cowardly for fear some other employe will report them to the employer. Those who take an active part always are the favorites of the employer and they advocate only those things to which the great majority of the employes would object if they were not afraid. The outcome of such a meeting is never satisfactory. Instead, discontent grows and in time the employes form a real union and from that time on they do not fear to express their thoughts or openly object to the statements of those known as company men.

### Summary

Collective bargaining, ~~it will be seen~~, makes for a better citizenship. It uplifts those who while unorganized were timid and servile. The industries accepting collective bargaining are stabilized and can face the future with certainty instead of doubt. Raising the standard of citizenship of the workers through collective bargaining affects the community in which they live. The standard of living is improved, the children are benefited through better chances for education and the home is made happier by the fact that the head of the family is able to earn a sufficient wage to support those dependent upon him. This is democracy in industry.

Autocracy in industry is where the employer fixes the wages and hours of employment arbitrarily. They must be accepted by the employes without question. Those who object are discharged. This creates a servile class that makes for an inferior citizenship.

The issue, then, is between collective bargaining and autocracy in industry. The good of the nation demands collective bargaining. There can be no defense for autocracy in industry.

## COLLECTIVE BARGAINING<sup>1</sup>

In these days of "open shop" propaganda and "hundred per cent. patriots" it might be well to consider what they are raising all the hub-bub about. It seems that the principal fly in the ointment of the patriots and the big employers of labor is the growing strength of organized labor, therefore let us look into the ways and the wherefores of this "menace."

The present system of industry is based on profits.

Profits are that portion of the wealth which labor has produced which it does not get.

<sup>1</sup> Editorial, Butcher Workman Advocate (Omaha, Neb.). January 21, 1921.

Capital is the stored-up portion of the profits of past labor used to exploit labor of the present.

Labor is that element of society which when applied to natural resources produces all wealth.

If the reader will carefully consider these statements, he will find that they not far wrong. Taking them as a basis for argument, we would like to point out that in order that profits may be large, labor's share of the wealth it produces must be small. To the extent that labor is allowed to consume the wealth which it creates, to that extent is the profit of the capitalist cut down. This is the real reason for the alarm of the "open shop" crowd.

Organized labor maintains that the workers should have first consideration since they comprise the great majority of humanity and are primarily responsible for all the wealth of the world. Organized greed maintains that since the workers have always been cheated they should go on being cheated without complaint and allow the greater portion of the wealth which they produce to go into the hands of a few capitalists to be used to exploit the workers of the next generation.

Until recent years this was the common procedure. Wealth was piled up in the hands of kings and their retainers, financiers and their retainers and was handed down from generation to generation, the workers who produced it often dying in poverty and distress.

Through the struggles of centuries the working class of people have been slowly overcoming this situation. Education is supplanting ignorance and the worker is claiming an ever increasing share of the wealth which he produces.

The measure of his success is evidenced by the extent to which he is organized. The extent to which he is organized is evidenced by the manner in which he lives. In Timbuctoo, China, Korea and uncivilized countries, the workers are wearing breech-cloths, eating snails and rice,—and they are unorganized.

In America, where the inhabitants are semi-civilized and half-organized, the workers are wearing shoddy clothing and eating sow bosom. As they progress in civilization and organization they wear better clothing and eat the choicer quality of food,—pork loins and sometimes even porterhouse steak.

They accomplish this revolutionary feat by uniting with each other and organizing their labor power and selling it collectively

to the capitalists who control the machinery, tools of production and natural resources. To the extent that they are civilized (or organized if you would rather have it that way) to that extent is the bargain in their favor, and the greater is their share of the food, clothing and shelter which they have produced.

The capitalist is becoming alarmed at the growth of civilization, and therefore is setting up a cry to have the savages or uncivilized (unorganized) workers reap the benefits of civilization without performing any of the duties of civilization. Organized labor has offered and is still offering the benefits of civilization to the unorganized savages. They can have it for the taking. But organized labor further maintains that if they are unwilling to accept the boon when it is offered to them that they should not be allowed to endanger it by their presence in industry. If they do not wish to keep step with progress they should be shipped to Timbuctoo, China or Korea.

Collective bargaining is the only method whereby the common people can right their wrongs and improve their conditions short of revolution. Organized labor does not want revolution. The greatest obstacle to collective bargaining is the uncivilized, unorganized heathen who accepts all of the advantages of organization without giving a thought or a dime to help it.

## BRIEF EXCERPTS

The open shop campaign does not accord to union members the right of organization. In practice, the open shop means the non-union shop.—*William L. Chenery*.—*Survey*. 45:428. December 18, 1920.

In the historic sense the closed union shop is a reaction against the control of the means of production by the employer. It is not, as often thought, a reaction against capitalism. It is therefore not socialistic, for it accepts the economic order of the private ownership and direction of property. But it is an attempt to encroach upon the profits and control of industry through the power to bargain with the owners of industrial capital.—*Ernest F. Lloyd*. *The closed union shop versus the open shop: their social and economic value compared*. p. 6.

There are two kinds of open shop, one that is open to union and non-union workers, with the two classes on an equal foot-

ing, and in which the management deals with the workers through local committees, without reference to their national organizations.

The other kind is the shop closed to union workers altogether. Unfortunately some employers' leaders mean the latter kind when they talk about an "open shop." What they mean is one closed to union men and open only to non-union men.—*Syracuse Post-Standard*. January 13, 1921.

The union shop rests on the freedom of contract, or individual liberty. There is no greater element of "monopoly" in it than in any other contract for services or materials. If you give work to A, you can not give the same work to B. Has B any grievance? Would it not be ridiculous for him to object to the contract in the name of equality? . . . There is no blow at idealism in the union shop. There would be if the unions were close corporations, monopolies, aristocracies. But are they not working day and night to extend their influence to convert new men, to organize all their fellows?—*Samuel Gompers*, *American Federationist*, October, 1904.

Discharges for joining the union were so common in the months before the strike that the union organizers did not even keep records of the cases. Cases were too common to need proving and the organizer could only say to the victim, "After we're recognized you'll get your job back."

Pencil marks on a typewritten slip of paper in the Monessen "labor file" illustrated the principle of discharge. The paper was the report of a spy, plainly inside the union, and contained a list of names which were referred to in a letter, also in the file, from a labor detective agency.—*Commission of Inquiry*. *Interchurch World Movement*. *Report on the Steel Strike of 1919*. p. 212.

No other country in the world has such large widespread, well-financed, strike-breaking corporations, making money out of "labor trouble" as America. Their existence is an integral part of the industrial corporations' policy of "not dealing with labor unions." The steel strike was harvest-home for them. Outside the plants and inside, outside the strikers and inside the labor unions, their "operatives" spied, secretly denounced, engineered raids and arrests, and incited to riot. The concerns' managers spoke the same arguments as Mr. Gary in justification



of their activities. The companies concealed but were not ashamed of hiring "operatives"; it was a customary inevitable part of the anti-union alternative.—*Commission of Inquiry. Interchurch World Movement. Report on the Steel Strike of 1919. p. 229.*

The so-called open shop influences wages and the standard of life to the downward course, for it is based upon the sycophancy of the most docile, and the most immediate needs of those in direst distress, of the poorest situated among the workmen.

Agreements or joint bargains of organized labor with employers depend for their success upon the good will of the union and the employers toward each other. Neither should be subject to the irresponsibility or lack of intelligence of the non-unionist, or his failure to act in concert with, and bear the equal responsibility of, the unionist. Hence, the so-called open shop makes agreements and joint bargains with employers impracticable, if not impossible. The union can not be responsible for non-unionists whose conduct often renders the terms of the agreement ineffective and nugatory.

Inasmuch as the most conspicuous antagonists of organized labor are sponsors for what they term the open shop, upon the pretense of the liberty of the individual, the thought forces itself upon us to ask:

"When, in history, have the opponents of any movement for the uplifting of the masses constituted themselves the advocates and defenders of the liberty and freedom of the people?"—*Samuel Gompers. From annual report to A. F. of L. convention, Boston, Mass., November, 1903.*

Organized labor's insistence upon and work for, not the "closed shop," as our opponents term it, but the union shop, in agreement with employers, mutually entered into for the advantage of both and the maintenance of industrial peace with equity and justice for both, is to the economic, social and moral advancement of all our people.

The union shop, in agreement with employers, is the application of the principle that those who enjoy the benefits and advantages resulting from an agreement shall also equally bear the moral and financial responsibilities involved.

In my reports to previous conventions and in editorials in

our official magazine, I have often dealt with this subject definitely and fully. Our Federation has approached this question intelligently and manfully. There should be no recession from our logical and just position. It should be reiterated and emphasized. At the same time we should direct our effort still further and better to organize our fellow wage-earners; to instill in them the principles of duty well done—the principles of fraternity, solidarity, and justice—to make our organizations of still greater benefit to them than is even now the case, and that by reason of greater advantages the unions will be more deserving of their good-will, respect, and confidence. Thus will the still lingering opposition to the union shop be eliminated from the field of industrial controversy.—*Samuel Gompers. From annual report to A. F. of L. convention, Pittsburg, Pa., November, 1905.*

*Labor* (Washington) denounces the attempt of "the greedy, cruel, profiteers" to bring back the "glories of the open shop," and declares that the kind of "union" they want has never been better described than by Peter Finley Dunne's famous *Mr. Dooley*:

"'What's all this that's in the papers about the open shop?' asked Mr. Hennessey.

"'Why, don't ye know?' said Mr. Dooley. 'Really, I'm surprized at yer ignorance, Hinnissey. What is th' open shop? Sure, 'tis where they kape the doors open to accommodate th' constant stream av' min comin in t' take jobs cheaper than th' min what has th' jobs. 'Tis like this, Hinnissey: Suppose wan av these freeborn citizens is workin' in an open shop f'r th' princely wages av wan large iron dollar a day av tin hour. Along comes anither son-av-gun and he sez t' th' boss, 'Oi think Oi could handle th' job nicely f'r ninety cints.' "Sure," sez th' boss, an th' wan dollar man gets out into th' crool wourd t' exercise hiz inalienable roights as a freeborn American citizen an' scab on some other poor devil. An' so it goes on, Hinnissey. An' who gits th' benefit? Thru, it saves th' boss money, but he don't care no more f'r money thin he does f'r his right eye.

"'It's all principle wid him. He hates t'see men robbed av their independence. They must have their indipidence, regardless av anything else.'

“‘But,’ said Mr. Hennessey, ‘these open-shop min ye menshun say they are f'r unions iv properly conducted.’

“‘Shure,’ said Mr. Dooley, ‘iv properly conducted. An’ there we are: An’ how would they have thim conducted? No strikes, no rules, no contracts, no scales, hardly iny wages, an’ dam few mimbers.’”—*Literary Digest*. 67:19. November 27, 1920.)

It is necessary to keep in mind the distinction between Mr. Gary's arguments based on possible evils,—the “closed shop” argument,—and his arguments based on the Corporation's actual practice. The difference was illustrated in this statement by Mr. Gary to members of the Commission of Inquiry on December 5: “I am just as much opposed to one big union of all the steel companies of the country as to one big union of all the steel workmen. Both would be bad for the nation.” Mr. Gary was not brought to a discussion based on *the actual fact*: whether one big union of *half* the steel companies of the country, with no recognized union among that half's steel workmen, was “bad for the nation.” An analysis of fact, such as attempted in this report, must deal with the badness or justice of what actually exists,—with the alternative enforced by the Corporation's practice.

In sum, then, Mr. Gary could tell the Senate Committee in the same breath that “of course workmen had a right to belong to unions” but that “it is my policy and the policies of the Corporation not to deal with union labor leaders at any time.” The Corporation never proposed any plan between the horns of this dilemma. The dilemma was actually resolved by the Corporation's practice. What the Corporation actually did, and does, is dealt with here.

The Commission's data show that the practice of the anti-unionism alternative by the Corporation and by a large number of independents entailed in 1919—

1. Discharging workmen for unionism, just as the twelve men were discharged at Wellsville in 1901 “for forming a lodge”; also the eviction of workmen from company houses and similar coercions.
2. Blacklisting strikers.
3. Systematic espionage through “under-cover men.”
4. Hiring strike-breaking spies from “labor detective agencies.”—*Commission of Inquiry. Interchurch World Movement. Report of the Steel Strike of 1919. p. 208-9.*

## NEGATIVE DISCUSSION

### THE CLOSED OR OPEN SHOP—WHICH?<sup>1</sup>

In eighteen hundred eighty-nine an engineer on a fast passenger-train, on a railroad that need not here be advertised, became violently insane. The time on his run had been cut down to fifty miles an hour. It was very rapid running at that time, and told severely on the man's nerves. Suddenly, while at the throttle, reason gave way, and the engineer started to make a record run. He imagined there was another fast train just behind; his life was at stake, and safety for himself and his train demanded that he should make a hundred miles an hour.

He had nearly attained his pace and was flying past a station where he should have stopped for orders when the fireman, realizing the situation, laid the madman low with a link-pin, and the train was slowed down just in time to escape a wreck.

There is a natural law, well recognized and defined by men who think, called the law of diminishing returns, sometimes referred to as the law of pivotal points.

A man starts in to take systematic exercise, and he finds his strength increases. He takes more exercise and keeps on until he gets "stale"—that is, becomes sore and lame. He has passed the pivotal point and is getting a diminishing return. In running a railroad engine, a certain amount of coal is required to pull a train of given weight a mile, say, at the rate of fifty miles an hour. You double the amount of your coal, and simple folks might say you double your speed, but railroadmen know better. The double amount of coal will give you only about sixty miles instead of fifty with a heavy train. Increase your coal and from this on you get a diminishing return. If you insist on eighty miles an hour you get your speed at a terrific cost and a terrible risk.

<sup>1</sup> Pamphlet by Elbert Hubbard. Printed by The Roycrofters, 1916.

Another case: Your body requires a certain amount of food: the body is an engine; food is fuel; life is combustion. Better the quality and the quantity of your food, and up to a certain point you increase your strength. Go on increasing it, and you reach a point where you get diminishing returns. Go on increasing your food and you get death. Loan money at five per cent. and your investment is reasonably secure and safe. Loan money at ten per cent. and you do not double the returns; on the contrary, you have taken on so much risk! Loan money at twenty per cent. and you probably lose it; for the man who borrows at twenty per cent. does not intend to pay if he can help it.

The law of diminishing returns was what Oliver Wendell Holmes had in mind when he said: "Because I like a pinch of salt in my soup is no reason I wish to be immersed in brine."

Churches, preachers and religious denominations are good things in their time and place, and up to a certain point. Whether for you the church has passed the pivotal point is for you, yourself, to decide. But remember this, because a thing is good up to a certain point, or has been good, is no reason why it should be perpetuated. The law of diminishing returns is the natural refutation of the popular fallacy, that because a thing is good you can not get too much of it.

Labor unions well illustrate the law of diminishing returns.

Labor unions have increased wages, shortened hours, introduced government factory inspection, have partly done away with child-labor, and done many other useful, excellent and beautiful things. But when labor unions go beyond the pivotal point and attempt to dictate the amount of the output; forbidding any man to earn more than so much; decide on the proportion of apprentices to workmen, that is, who shall advance and who not; declare what work shall be done in schools or in prisons, and what not; tear out work that has been done by non-union men and require that it shall be done over by union men; insist that you must join a union, or else be deprived of the right to work—then the union has passed the pivotal point, and has ceased to give an equitable return. When your children

do not go to school for fear of the cry of "scab"; when your wife dare not hang out the washing in the back yard for fear of the cry of "scab"; when you hesitate to go to your work, knowing you may be carried home on a shutter; when brickbats take the place of reason, and the walking delegate says, "Carry a union card or take out an accident policy"—then things have gone so far that in self-protection the union must be temporarily laid law with a link-pin.

The people of America can not afford to let any combination of men become an engine for the destruction of liberty, be it labor unions, Molly Maguires, Ku Klux, or church.

There are a million and a half men in America paying dues in labor unions. There are eight thousand paid walking delegates or business agents, who look to the laborers for support.

A million dollars a year is paid to organizers, the money being paid by the laborers.

Here we get an institution that supports a large number of men who do not work; who can call a strike or declare it off; who can prey on both employee and employer at will. It is like a religious institution grown great, that lives and thrives on the fears of its constituents.

Local unions meet weekly or daily. The men are called together in the "chapel" to receive orders. Conference and consultation are out of the question—unions are run by the men who get paid for running them. And the talking men in any union are, almost without exception, men who hope to rise through loyalty to the union and not by helping along their employer. Did you ever hear of a union where the men were called together to discuss methods and means to better the business that supplied them with work? Well, not exactly!

Members of a union hope to rise by helping along the union. They want more pay, shorter hours, and give their time to stating grievances that grow by telling. They wish to become walking delegates, organizers or officers in the union. Men who are loyal to the firm; who have ambitions about furthering the business; who expect to become superintendents, foremen, partners and officers in the company, keep out of the unions, because they are not wanted there.

John Mitchell was right: "Once a laborer, always a laborer," if you are a union man and work in a closed shop. The closed shop writes the life sentence of every man in it, and shuts the man off from the assistance and friendship of the employer.

Labor union organizers constantly fan the fallacy that employers are the enemies of the men to whom they supply work; that capital is at war with labor, and that success lies in secretly combining against capital.

The organizers and helpers are really paid attorneys, and their business is to distort the truth for their own interests. They are preachers upholding their denomination.

Labor union meetings are all ex-parte—only one side is represented. The employer, his superintendents and foremen are carefully excluded.

With the open shop the labor union is a good thing—it brings men together, and that which cements friendships and makes for brotherhood is well.

But the closed shop creates a sharp line of demarcation between labor and capital, and between union and non-union men. It says, "Once a laborer, always a laborer." It stops the law of evolution; throttles ambition, stifles endeavor; and tends to make tramps of steady and honest workingmen. Workingmen who own homes can not afford to join unions, and men who are in unions can not afford to invest in homes. Because the strike is not a matter of choice; they have to throw up their jobs at the crook of the finger of a man who, perhaps, has no home, no wife, no children, no aged parents. Men over forty who go on a strike do not get back. Strikes are ordered by young men who have no property interests; no family ties and nothing to lose. For old men who can not earn the scale there is no work. Men with children to feed and clothe had better not forfeit the friendship of their employer by disregarding or opposing his interests.

When the unions have power to dictate a closed shop, they have reached a point where they say, "You must join our union or starve."

This is tyranny! It is un-American! It breathes the spirit of the inquisition and conjures up in one's mind the picture of Granada's blood-slippy streets.

Unionism, like political parties and other forms of organization, is preyed upon by men who do not consider themselves a part of the United States and are evidently bent upon forcing the workers into mental servitude and a state of hypocrisy.

When unionism gets to a point where it dictates to the employer whom he shall hire, and decides who shall have the right to labor and who not, then unionism has become un-American—a menace too great to overlook. Unlimited power is always dangerous when centered in the hands of a few men.

The American Federation of Labor is controlled by eleven men. These men are not workingmen. They may have been once, but now they live on the labor of others. They undertake to manipulate and regulate the lives of those who toil, and take toll for their service. The result is that, being human, they are drunk—power-crazed by success—and are attempting to run an engine fitted for fifty miles an hour at a speed of one hundred. It is the working out of the law of diminishing returns. From being a benefit, the labor union has become a burden. The few men who control the Labor-Unions have created a phantom in their minds called "Capital," which they think is after them and is going to shunt them into the ditch. They have frightened the laborers so long with ghost-stories that they have come to believe their own fabrications. What shall be done about this insane clutch for power? Must we forever endure the rule of the demagogue? Who is right in this question of "Labor versus Capital"? I'll tell you: both sides are right and both sides are wrong. The capitalists of this country, for the most part, were once workingmen, and many are workingmen now. And any laborer who owns a home and has a savings-bank account is a capitalist.

The open shop means liberty. The closed shop means slavery. Moreover, it means faction, feud, strife, violence. The open shop will make employers considerate, and labor unions cautious. Employers are not base and grasping, any more than men who work for wages are truthful, trusting and intent on giving honest service. Men are men, and safety lies in the balance of power.

Henry George, one of the sanest men that America or



any other country has ever produced, a workingman, and for many years a member of a union, and the labor union candidate for mayor of New York in eighteen hundred eighty-six, says, in his Open Letter to Pope Leo XIII:

While within narrow lines trades-unionism, promotes the idea of the mutuality of interests, and often helps to raise courage and further political education, and while it has enabled limited bodies of workingmen to improve somewhat their condition, and gain, as it were, breathing space, yet it takes no note of the general causes that determine the conditions of labor, and strives for the elevation of only a small part of the great body by means that can not help the rest. Aiming at the restriction of competition—the limitation of the right to labor—its methods are like those of the army, which even in a righteous cause are subversive of liberty and liable to abuse, while its weapon, the strike, is destructive in its nature, both to combatants and non-combatants. To apply the principle of trades-unions to all industry, as some dream of doing, would be to enthrall men in a caste system. Union methods are superficial in proposing forcibly to restrain overwork while utterly ignoring its cause, and the sting of poverty that forces human beings to it. And the methods by which these restraints must be enforced, multiply officials, interfere with personal liberty, tend to corruption, and are liable to abuse.

Labor-associations can do nothing to raise wages but by force. It may be force applied passively, or force applied actively, or force held in reserve, but it must be force. They must coerce or hold the power to coerce employers; they must coerce those among their own members disposed to strangle; they must do their best to get into their hands the whole field of labor they seek to occupy, and to force other workmen either to join them or to starve. Those who tell you of trade unions bent on raising wages by moral suasion alone are like people who tell you of tigers that live on oranges.

Labor-associations of the nature of trade-guilds or unions are necessarily selfish; by the law of their being they must fight, regardless of who is hurt; they ignore and must ignore the teaching of Christ, that we should do unto others as we would have them do to us, which a true political economy shows is the only way to the full emancipation of the masses. They must do their best to starve workmen who do not join them; they must by all means in their power force back the "scab," as a soldier in battle must shoot down his mother's son if in the opposing ranks: a fellow creature seeking work—a fellow creature, in all probability, more pressed and starved than those who bitterly denounce him, and often with the hungry, pleading faces of wife and child behind him. And in so far as they succeed, what is it that trades-guilds and unions do but to impose more restriction on natural rights; to create "trusts" in labor to add to privileged classes other somewhat privileged classes; to press the weaker to the wall?

I speak without prejudice against trades-unions, of which for years I was an active member. I state the simple, undeniable truth when I say their principle is selfish and incapable of large and permanent benefits, and their methods violate natural rights and work hardship and injustice. Intelligent trades-unionists know it, and the less intelligent vaguely feel it.

So let this fact be slated: The union does not stand for labor—it only stands for such a portion of it as consents to be owned and dictated to by itself. For the multitude of young men and young women who wish to gain an education through the skilled use of hands, it cares nothing. It knows nothing about educating the brain by use of the hand.

The "pay envelope" is all it knows or cares about. Also, it cares nothing for production or the net result of labor. All it thinks of is more wages and shorter hours.

The despotism of unionism, if it could have its way, would reach past human belief. It seeks to paralyze human freedom and stop progress. The building of railroads and the growth of cities is nothing to it. The pursuit of another's happiness is its chief concern. It seeks to chain my pen, and say whom I shall speak well of, and whom not. It tries to name my friends, and if it could separate me from those I respect and admire, it would make their names anathema. It steps into my household and tells me how my boy shall be educated and how not. It examines my magazines and warns me to buy only of those advertisers who patronize magazines bearing the "label."

And then when I protest, it says, "Oh, we do not want to hurt anybody—if you employ only union labor and use the label, nothing will happen to you." Isn't this dis-unionism. Isn't it despotism? And all despotism is bad; but the worst is that which works with the machinery of freedom. The man with the big stick, who flashes a dark lantern in your face, and assure you that if you give him your watch, no harm shall happen to you, is not a robber. Oh, certainly not!

The endeavor of unionism is to make the job last, not to get it done. It assumes that the supply of work is limited and, if there are too many apprentices, the workingman will soon be on half-time.

Any man with this buzzing bee in his bonnet is already a failure. Superior men see no end to work, and all great men make work for thousands. They set armies to work and build cities where before were only prairie-dog towns.

The safety of this country demands that we shall resist coercion and intimidation whether offered by a church trust or a labor trust. The unions have, as we have said, done much good in the past—to them we owe factory-inspection, child-labor laws and the shorter working-day. But because a thing is good in small doses is no proof that we can stand an unlimited quantity of it.

Commercial excommunication now is no worse than church excommunication. When the church cuts you off,

you can go to God direct. You simply eliminate the middleman. When organized labor leaders seek to starve you out, you make your appeal to the people—and wax fat. Who represents the folks that actually work in this country, anyway? On your life, it is not the walking delegate!

When the labor leader reaches out his long pole from Washington, New York or Boston and endeavors to lambaste a man in Battle Creek, Indianapolis or St. Louis, he only wakes the party up and soon has a fight on hand. That a laborer shall not sell his labor where and when he desires; that an employer shall employ only certain people; that my boy shall not be educated; that an advertiser shall not patronize certain periodicals—all this is shockingly Russian and overwhelmingly Irish.

We long ago decided not to be ruled by a person in England, or a man in Italy. The Anglo-Saxon is a transplanted Teuton, with a dash of the hardy Norse in his fiber that makes slavery for him out of the question. In every land upon which he has placed his foot, he has found either a throne or a grave.

When these Norsemen with their yellow hair flying in the breeze sailed up the Seine, the people on the shore called to them in amazement and asked: "Where are you from and who are your masters?" And the defiant answer rang out over the waters, "We are from the round world, and we call no man master!" To these men we trace a pedigree. And think you we are to trade the freedom for which we have fought, for the rule of a business agent graduated from a cigar factory? Excuse this smile—I really can't help it.

When that punk party known as George the Three Times disregarded the warning of one Edmund Burke, who said, "Your Majesty, you must not forget that these Colonists are Englishmen—our own people, and they can not be coerced," he invited his fate.

The English and hired Hessians fought Washington five to one, but Washington was an Anglo-Saxon, a transplanted Teutonic Norse-American, and in his bright lexicon no such word as "fail" could be found.

All attempts to build up class hatred in this country must fail. We stand for cooperation, reciprocity, mutuality.

"Once a laborer, always a laborer," is not our shibboleth. I never ask a man I hire whether he belongs to a union any more than I would ask if he belongs to a church. That is his business. I most certainly would not ask him to renounce his union unless the union were trying to throttle him. Even then it is his affair. But certainly we will not be dictated to by men with less intelligence, energy, initiative and ambition than we ourselves possess.

Our labor union friends are lifting a fine cry about the injustice of injunctions. But what is their whole intent but to place an injunction of fear and coercion upon the employer, so that he dare not turn a wheel without permission!

There are inequalities in this country that must be worked out; there are injustices that must be righted; but the boycott, the club, the fagot, the bomb and the secret conclave—the air-brakes on prosperity's wheels—can never right them. We must bring patience, good nature and reason to bear. To solve the problems we must discuss, agitate, write, talk and educate—and again educate. Some day, then, the fog will lift, and the sun will shine out. In fact, it is beginning to shine out now.

To belong to a union is all right, but to say that the man who does not belong to a union shall not be allowed to labor is all wrong. Then to go further and say that the man who employs a man who does not belong to a union shall be starved out of business is absurd—and worse.

The closed shop stands for tyranny and oppression. It blocks human evolution, destroys initiative and fosters hate. Unionism stands for disunion. It perpetuates distrust, and makes division permanent. It places an injunction on progress, and chains the laborer to his bench. It organizes enmity, and makes a system of suspicion. Unionism does not strive to get the work done—its intent is to make it last. And it never means better work, because better work demands greater devotion, more patience, a finer loyalty. The union keeps in your shop workmen you otherwise would not have, unless they mended their ways and manners. It makes the slipshod perpetual, and the shiftless everlasting, by placing a premium on distrust and separating the employer from the employed. They never get acquainted.

THE OPEN SHOP FIGHT<sup>1</sup>

Fear, rather than wisdom or knowledge is behind the declaration of the National Catholic Welfare council against the so-called "open shop" drive. In the first place, there is no concerted action against the closed shop. In the second, the efforts of some employers to secure the "open shop" do not aim at the destruction of unionism, as the reported declaration of the social action department of the council alleges. There is no evidence that the alleged statements of the department are correct. They assume much more than they can prove.

The fight for the "open shop" is a fight for American freedom of contract for efficiency and the right to work. Its advocates believe that each worker will do his best if he is rewarded in proportion to the quality and quantity of his labor. The closed shop militates against the development of individual skill, because it places all workers on a dead level, and crushes individual initiative. It hinders efficiency also because union rules prevent the retention of good men, an unscientific system of seniority being insisted upon. In the "open shop" the individual obtains his chance by good work and fidelity to the interests of his employer. This latter is a quality generally absent from the closed shop because of the extent to which the socialistic spirit has permeated the ranks of the unions.

Though we claim that there is no concerted drive for the open shop, the sentiment for it has spread among employers, so that we may say that there is a strong movement for it. And this is not dictated by hostility to unionism. We have seen how the closed shop militates against American ideals of individual liberty and efficiency. Employers also have become weary of the manner in which unions have come to conduct themselves in recent years. Unions have like the Anti-Saloon league, become bullies, having grown until they terrorize both employer and worker. They have left the owner of the closed shop virtually no voice in the conduct of his business. But this does not place the employer in opposition to real construc-

<sup>1</sup> Editorial, Rochester (N. Y.) Post Express. November 13, 1920.

tive unionism. He is opposed to the evils that have grown into unionism, not to the thing itself. It is but natural that with access of power evils should have crept into unionism. In this it differs not a whit from other human institutions. Employers do not regard collective bargaining as necessarily evil. They are not fighting it. Whatever fight they may put up against bargaining is against that kind of bargaining in which the employer gets all the worst of the bargain.

Since there is no "drive" against unionism, but against its evils, and since the fight that is in some cases being made for the open shop is not a movement detrimental to the welfare of the wage earner, but to his advantage, the charge of the welfare council's department that the move will foster radicalism falls to the ground.

## THE CLOSED SHOP<sup>1</sup>

The "closed shop" is a system prevailing in factories conducted under a fixed rule that none but union men in good standing shall be employed. It is called the "closed shop" because its doors are barred against all employees whom the union does not recognize, and it is contrasted with the "open shop", where both union and non-union men are employed without discrimination against either. The non-union man may be denied union membership; he may have been suspended or expelled, or he may not desire membership, but in either of these three contingencies, the fact and not the reason that he is non-union is the conclusive disqualification against employment in a closed shop. As the employer cannot review the union's adjudication that a man is non-union, and as in most unions, like all secret societies, an applicant for membership must be approved or voted in, and no court or any other authority can review the organization's action in rejecting the applicant, the result is that no man can secure employment in a "closed shop" except by consent of the union.

The demand for the closed shop by the great majority of labor organizations, and the devices and combinations adopted to compel all employers to submit to it, together with its fundamental antagonism to our traditional principles and liberties, make it an issue, difficult to compromise or adjust. In many in-

<sup>1</sup> Pamphlet by Walter Gordon Merritt.

stances, unions and employers that are willing to arbitrate all other questions are kept from agreement because they regard it as a matter of principle and not for compromise. The union says it cannot perform its functions without insisting upon the closed shop, and the employer says every capable man is entitled to equal opportunities in seeking employment, whether he is a Catholic or Protestant, a union man or non-union man. The issue is the cause of so many strikes and the prolongation of so many more, that it is worthy of thorough attention.

The first thought that strikes one who studies trade union policies, is the prevalence of the demand for the closed shop, the almost universal hatred by the union of the employer and employee who does not conform to it, and the remarkable ingenuity and ability displayed by the unions in their effort to drive from the market the open shop employer, open shop products, and the non-union man, together with the irresistible power of their extensive combinations for that purpose. Most of their unlawful acts are designed to forward the "closed shop." "Show me an injunction granted," says the president of the carpenters' union, "and I will show you one more link forged in the chain of open shop dogma."

It is fair to state that nearly all the important labor organizations pursue a policy of discrimination against the non-union man and all who associate with him, and the best proof of this assertion lies in the examination of the records and policy of the American Federation of Labor, which includes most of the trade unions of the country. Mr. Gompers, who is the head of this institution, speaking for the federated unions which he represents, assumes his customary uncompromising tone and says: "As the immortal Lincoln said: 'This country cannot long remain half free and half slave.' So say we, that any establishment cannot long remain or be successfully operated part union and part non-union." John Mitchell, another officer of the American Federation of Labor, in his optimistic view of organized labor, apparently expects that all the country will eventually pay homage to the "closed shop," and that the rights of the independent worker will to that extent be abandoned. He is author of the statement that "with the rapid extension of trade unions, the tendency is toward the growth of compulsory membership in them and the time will doubtless come when this compulsion will be as general and will be considered as little of a grievance as the compulsory attendance of children at school."

The criticism of the "closed shop" lies not so much against this regime in the isolated cases where it might be mutually and voluntarily sought and desired, but to the penalties and difficulties with which employers and employees are confronted for refusing to conform. For this reason one cannot form an intelligent judgment on the issue until familiar with the methods employed to secure its adoption.

The strike is usually the first weapon employed to unionize or close a shop. The employer is told, in effect, that if he retains any non-union men in his employ, the substantial part of his working force will quit work in concert, his entire business organization, of foremen, assistant foremen, inspectors and skilled help, will be destroyed and his business paralyzed until such time as he can reorganize. Court decisions which condemn such a combination state that if this attitude is aimed at some unskilled or truly undesirable associate, the combination is justified and legal, but the mere fact that a man is non-union affords no excuse for a movement of such coercive power to deprive him of employment. By methods similar to this, non-union workmen have been followed from one position to another and their discharge successively dictated by the same threat addressed to their successive employers.

In cases where strikes fail of their purpose, the American Federation of Labor, with a constitution providing for boycotting, has elaborate and powerful boycotting machinery available to each affiliated union in its efforts to enforce the closed shop. The Federation has a total membership of nearly 2,000,000 members, controlling a purchasing power of 10,000,000—over a tenth of our entire population. This membership is enjoined to observe all boycotts under penalty of fines or expulsion, and is divided and sub-divided into national trade unions, some 30,000 local unions, over 500 city federations, and some 30 state federations. The 500 city federations are local federations of all the unions in a particular city, while the state federations hold the same relation to all the unions in a particular state. Thus the organizers of the American Federation of Labor, of which there are about 1400, and the organizers of the different trade unions, can at any time command the entire organized force of all labor unions in a city or all labor unions in a state, in their efforts to prevent a local dealer handling merchandise produced by an open shop employer. With agents in every trade center of the country



and local federations of all trades to act at their commands, with travelling agents going from city to city, and spies to detect open shop shipments and telegraph the information to the unions at the place of consignment,—lo we have a phenomenon hitherto unknown in either democratic or despotic states, with its branches like veins throughout our entire society. When we reflect on the utter impossibility of escaping from the observation and tyranny of this movement in any remote section of the country where it may choose to pursue, and remember that it is largely designed and manipulated to eliminate the non-union worker from industry, our feelings change to alarm. All other attempts at secret orders and societies or the conduct of organized feuds pale into insignificance before the ramifications, power and aspirations of this institution. The idea staggers the imagination, for it discloses the irresistible machinery of an army of well-disciplined men against which the non-conformist is helpless.

Unfortunately, the use of the union label is another example of the same tyranny and intolerance, for had it not been for this general persecution by organized labor and its desire to exclude the unorganized workers, the union label would never have been brought into operation. In substantially all the trades, the primary object of the adoption and use of the union label is to encourage the trade of those employers who reject the non-union man and discourage the trade of those who employ him. It is another way of discriminating against the employer who harbors the non-conformist. In practically no instance does it appear that the union label stands primarily for such legitimate purposes as skill, hours, wages, sanitary conditions and other conditions of employment which it is right and just that the workers should fight for. The only universal test of the right to use the union label is the agreement to discriminate against the non-union worker.

The American Federation of Labor publishes what is called a union label gallery, which gives in pictorial form the labels of about one hundred trades, all of which have the indorsement of the American Federation of Labor and the powerful machinery of all its branches to support them. In this way these labels become passports to the market which assure wholesaler and retailer that they may safely purchase the goods, while their absence stamps the merchandise as the

handiwork of non-union toil and therefore to be shunned and boycotted or purchased at one's peril.

Another effective way of discriminating against the non-union worker is shown by the methods employed by the United Brotherhood of Carpenters, which is probably the most powerful trade organization in the United States. The builder who purchases open shop woodwork, however, cannot be so easily intimidated by any attempt to withdraw patronage from him, and can only be reached through depriving him of the necessary skilled help to conduct his business and utilize the woodwork which he purchases. Consequently, the Carpenters' Union, with its membership of over 200,000 has adopted a regulation whereby each of the carpenters is forbidden under penalty of ten dollars to handle or work upon any materials which come from an open shop. The manufacturer's customers, or those who might be customers, are told that if they purchase the products of these open shops, strikes will be called upon the buildings which they are constructing. If the customer desiring to utilize open shop materials should employ non-union men to perform the work of installing them, he is confronted by another rule that no union carpenters will work for him or any other contractor on any building where non-union men are employed. The carpenters are also successful in inciting sympathetic strikes of other trades to enforce this position. The individual carpenters employed seldom have any sympathy with the enforcement of these rules, and would gladly work on the "open shop" materials but for their fear of the delegates and the fines which might follow.

So effective has this combination become on the Island of Manhattan, that practically no wood trim which is produced or worked upon by any non-union woodworker can enter into the construction of buildings on that island. Most of the larger builders, in order to avoid the constant repetition of strikes against open shop woodwork, have entered into a formal written agreement for a period of years not to purchase it, although it can be secured at prices twenty-five per cent. cheaper than the union material. In this way has the price of rents been increased by artificially increasing the cost of building.

Recently, a more formidable combination than these two just cited has been formed to further this same attack upon the rights of any worker who does not subscribe to the union principles. Some ten national organizations, including the machin-

ists, sheet metal workers and moulders, have formed a separate department of the American Federation of Labor in order that, among other things, they may assist each other in carrying out work of this kind. This department has issued notices from its headquarters, Washington, D.C., to the various unions belonging to it, directing them not to handle or work upon the machinery or other metal work of particular concerns which have refused to unionize mills and reject the non-union man. As a result of this manifesto, strikes have been called in different parts of the country against this class of non-union products.

All of the numerous trades connected with the construction of buildings and affiliated with the American Federation of Labor have likewise formed a special department connected with the Federation, which is known as the Building Trades' Department. Through its headquarters at Washington, it is able to direct strikes and boycotts against the building products of any concern which is not being conducted in accordance with the demands of any of the affiliated unions, and the usual method is to call out all trades on any building where open shop materials are being used. This department has passed a resolution to aid the Metal Trades' Department, by refusing to handle any metal products or materials which are not made in closed shops, and the co-operation of these two departments in the work of excluding and discriminating against the non-union worker and non-union products, presents a formidable scheme which is most alarming to this persecuted class.

If, according to closed shop advocates, methods such as we have been examining are going to make union membership a necessary qualification for employment, it becomes material to consider under what conditions a man can become or remain a member. No man has an enforceable legal right to membership in any trade union any more than he has in any private order or society. If he applies for membership, or his name is presented by some friendly member, he may be rejected or "black balled," as the expression goes, in the same way that he might be so treated by any private society. In some instances, non-union men who have displeased the organization have been admitted on condition that they would pay large fines as a penalty for past "scabbing." Some men who have once been members and withdrawn have been obliged to pay dues on the wages they earned for the years that intervened. Unions have also seen fit to close the doors to all applicants for a given period

of time because it was thought that the membership was growing too large. Other restrictions relate to the years and conditions when a man may join, and state that he must serve an apprenticeship of three years and must begin between the ages of 18 and 21. All older men are thus excluded except in certain emergencies where the rules are suspended, and as the number of apprentices is usually limited by the union even the younger men are often barred except upon the payment of "graft" money to the officers in charge. Some unions discriminate systematically against foreigners. The carpenters' union, with 1900 branches or local unions throughout the United States, will not admit a person to membership except on the majority vote of the members of the local to which application is made, and if he is rejected by that branch he cannot thereafter be admitted by any one of the 1900 locals except by consent of the union to which he made first application and a two-thirds' vote of the union to which he made second application. Thus the action of a local union in California actuated as it might be by a group of members owing the applicant some personal grudge, may keep a man from employment in New York or any other state under the "closed shop" regime. Such are some of the difficulties which must often be overcome by him who would join the union.

The same problem arises after a man has joined the union, inasmuch as he may be unjustly fined, suspended or expelled. Again, the union would to a large extent have a final and conclusive voice on his right to earn a livelihood, if membership became a necessary qualification under the "closed-shop" system.

A few illustrations from actual life will suggest the tribulations of union men under a limited closed shop system.

In one instance, in the hatting trade in Danbury, an Irishman with a crippled wife loyally observed the union orders during a costly and prolonged strike, which soon exhausted the union treasury and the funds of this and most other workmen involved. He borrowed from a relative who had no money to spare, in order that he and his wife might exist during the stringency, and when the employers yielded, returned to work with the other men under some arrangement which provided that the shops were not to be union for a period of three months. At the end of that time, the union delegates called upon the men to pay dues based on their wages during that period. The Irishman did not have the money, and the union under its rules owed him more for strike bene-

fits than he owed it. He told them, however, that his first duty was to repay his relative who loaned him the money when he was in severe straits, and that he would then see that the union received every cent. The union refused to wait and the factory was struck, until the man was discharged. He tried then to secure other employment, but all union shops were closed to him. The conditions drove him from his native town, and he eventually ended as a day laborer receiving \$1.50 a day instead of his former wages ranging from \$18.00 to \$25.00 per week.

A poor Jew was treated in a similar way because he would not pay an arbitrary fine of one dollar imposed on him for exceeding the union limit of work in a forenoon, although the work which he did in the entire day did not exceed the union limit for the day. He was a skilled workman receiving high wages, but for over a year he diligently sought work without being able to find any because of the control which the union had over the industry. The fellow's courage was admirable or he would have paid the fine and yielded. He informed me that the union frequently imposed fines like this on any pretence, and then a group of members would go out and buy drinks with it.

The writer is personally acquainted with the case of another man who was so persecuted in this way that he was driven insane. In other instances, the value of union membership as a protection against interference has been sufficient to make men submit to fines of approximately \$1,000.

These facts illustrate some of the difficulties which may confront a man who desires to be a union man. If membership in the union is made synonymous with an opportunity to pursue a trade as it would be in the closed shop regime, there would be no redress from unjust union action which kept a man from his trade by keeping him out of the union. While a private organization may properly control the selection of its own membership, one of the principal functions of government is to protect liberty and the right to pursue a trade. This truism discloses the fundamental error of the closed shop idea. If there is one condition incompatible with the principles of democracy and liberty, it is a state where the rights and opportunities of pursuing a trade are controlled and monopolized by an irresponsible body of private citizens. When man was created with a mouth to feed and a back to clothe, no en-

lightened government can permit private citizens to place arbitrary restrictions on his opportunities to obtain employment. Such a condition, maintained though it may be by a combination of working people, is fraught with the same objections and evils as the despotism of any monarch or oligarchy. History has many times taught us that tyranny rests no more in the will of a monarch than in the uncontrolled spirit of a mob. In mediaeval times, when guilds controlled the right to work at given crafts, interlopers have been burned at the stake, sent to the galleys, and had their establishments broken up by force, for no other reason than the fact that they belonged to a rival guild or pursued a trade without consent of the guild. The theory of our government was to avoid all tyranny and despotism of this kind from any source, even though it be the majority vote of the citizens of our country, by protecting under our constitution certain individual rights which, while that constitution exists, cannot be encroached upon by the government itself, to say nothing of combinations of private individuals. Among those rights none is more important than that of earning a livelihood, and any combination of people to wrest that right from all citizens and bestow it upon a favored class aims at the very genius of our free institutions. It is difficult to improve on the language of the United States Supreme Court as follows:—

Monopolies are the bane of our body politic at the present day. In the eager pursuit of gain they are sought in every connection. They exhibit themselves in corners in the stock market and produce market and in many other ways. If, by legislative enactment, they can be carried into the common avocations and callings of life, so as to cut off the right of the citizen to choose his avocation—the right to earn his bread by the trade which he has learned—and if there is no constitutional means of putting a check to such enormity, I can only say that it is time that that constitution was still further amended.

And again the same tribunal says:—

The very idea that one man may be compelled to hold his life or the means of living, or any material right essential to the enjoyment of life, at the mere will of another, seems to be intolerable in any country where freedom prevails, as being the essence of slavery itself.

If a commercial nation in peaceful times cannot protect the rights of its working class to secure employment from those who wish to employ them, it has lamentably failed. If the chance to seek and earn a living is to be vouchsafed by the grace and favor of a private organization instead of being guaranteed by the government as in the past, surely that institution will rule in this country, and no other.

Another indictment of the closed shop is that it seeks and maintains monopolistic prices, and if successful, would be more oppressive to our people in this way than any other monopoly. We hate monopolies largely because they raise prices and eliminate competition. In this way, the citizen who does not profit by the monopoly has an unfair burden placed upon him. The monopoly of any one craft of labor, like carpentry, does the same, for the charges made by employers necessarily follow the rise of the inflated demands of the labor monopoly. To-day the carpenter in New York receives five dollars a day, which is more than is paid in most trades, and we are paying 25 to 50 per cent. more for the wood materials they erect in order to avoid purchases of open shops. The craft which does not share this monopoly must pay correspondingly more for the rent of buildings which the carpenter erects without any corresponding increase in its wages. The non-producer is a similar sufferer. The consummation of the closed shop scheme would do more than all combinations of capital to raise prices and the cost of living, as the wages fixed by the union regime, with complete control over its craft, would furnish a basis for the cost of production above which all employers, however sharply competing, would be obliged to figure some margin of profit.

The general public would also be injured in another way. If labor unions, by the consummation of their "Closed Shop" aims, can command obedience from all workers, the entire body of workers engaged in industry and transportation can and will be marched out in combined opposition, on any issue affecting some one man. Such widespread disturbances inflict great damage on disinterested parties and threaten the stability of government itself. But recently all transportation in Ireland was interrupted because a few porters were discharged for refusing to handle the materials of a boycotted firm. The sympathetic strikes of all industries in Philadelphia, at the time of the traction strike, threatened to become state-wide and would have become so under closed shop conditions. The Debs strikes of 1893 paralyzed the service of all railroads entering Chicago because they hauled cars of the boycotted Pullman Company. These sympathetic combinations disrupting satisfactory relations of neutral employers and employees, and inflicting loss and rioting on the public, are among the worst features of trade unionism today, and the main restraint on

them is the fear on the part of labor leaders that they cannot make them succeed. Under the closed shop rule, the conduct of men could be dictated without fear of recalcitrancy and the whole country thrown into turmoil over some local and unimportant complaint.

An employer confronted with the demand for the closed shop has three alternatives: He may yield to the demands, thereby sacrificing for mammon the liberty of himself and his employees, and forwarding the aims of this combination. He may combine with other employers to destroy unions, or he may seek relief in the courts by injunction or otherwise, which he has been constantly doing and for which he has been much criticized. But no ordinary employer can single-handed, without the protection of his government or the co-operation of his fellow employers, withstand the attacks of the American Federation of Labor or even one union like the carpenters' union, in their efforts to compel him to reject all men who do not belong to their organization or some affiliated body. If the courts will not protect him and if he is determined not to yield, the one thing left for him to do is to unite with other employers in adopting the same methods which the unions themselves are adopting, until he has so completely severed all connection with the labor organizations that they are obliged to disband. If it is lawful to employ such extraordinary methods as the boycott in order to eliminate the open shop and the non-union man, corresponding methods can be lawfully employed to eliminate trades' unions. The legality of a combination not to work for or deal with a man who deals with an open shop, cannot differ from the legality of a combination of employers not to buy from or sell to any one who purchases a union article or employs a union man. If the courts should uphold these combinations and the employers in the cause of self-defense should also take up this war of discrimination the result could be no other than the disintegration of trades' unions. Such a war is to be avoided by judicial protection. The trade union should be permitted to exist and should be protected against any combination of employers to destroy it by making it difficult for its members to obtain employment. Likewise, the non-union man and those who choose to employ him have a right to exist, and a combination to drive him into the organization or out of the trade should be suppressed.



The statute books of at least twenty-one states and territories and the federal statute books contain laws forbidding discrimination against union labor, but I know of no statute which in terms forbids the union discriminating against non-union labor, although there are one or two laws which might have that effect. There is also a considerable amount of class legislation requiring state and municipal contracts to be executed with union labor and union materials. All of these laws show the influence organized labor has exercised in our legislatures in its efforts to protect its own organizations against the identical tactics it is employing and in its efforts to drive out the non-union man. The statutes forbidding the individual employer discriminating against the union worker have generally been declared unconstitutional, but it is still possible to pass a law which forbids any combination of employers pursuing this practice. Nothing could be fairer than to place upon the statute books in all the states a law which forbids any combination on the part of any class of people, whether employers or employees, to discriminate against a man on the ground that he is or is not a member of a labor union. In behalf of such a law it can well be said that its purpose is to aid the fundamental principles upon which our government is based, for the avowed objects of the labor unions in pursuing such policies as the closed shop are the antitheses of the avowed objects of our government. Government seeks the greatest possible protection of the freedom and liberties of all citizens, including the right to earn a livelihood without let or hindrance from outside parties, and nearly all of the practices of labor organizations are moulded to make it dangerous, difficult or disagreeable for a man to obtain employment except upon submission to such conditions as they impose. "Live and let live" might well be called the maxim underlying the rights of our citizens, but a combination of a million or more citizens to withdraw services or patronage from him who deals with the non-union man or his products, instead of following this rule, becomes a powerful persecutor from which there is no escape. Appropriate legislation may well be devised to deal with such a menace to society and our free institutions.

If nothing but the closed shop would prevent the oppression and persecution of the working class, it might well be contended that all principles of liberty might better be aban-

done than to permit such an unfortunate condition to become established. Most people will believe, however, that it is possible for this nation to preserve the traditional rights and liberties of its people and at the same time properly protect the working class. If labor organizations would adopt the methods and policies of the admirable Brotherhood of Locomotive Engineers, they would uphold the open shop and make merit and capability the qualifications for membership, so that employers, feeling that it represented the best of the craft, would make generous concessions to it rather than be obliged to depend exclusively on non-union workers. This is a legitimate and unexploited field of union activity by which it can obtain fair play from the employers. People also forget that protective and powerful weapon, the strike, which has been allotted to organized labor. The history of civilized government affords no parallel whereby law permits a combination of men to enter into a scheme so calculated to imperil and destroy property and personal rights. The organization of a man's factory is usually of more value than the machinery and brick walls. It is the fruit of years of expense and selection and elimination. There is, moreover, an individuality in the methods and products of most manufacturers to which it takes time for the employees to adapt themselves. The strike by one blow destroys this valuable organization of skilled help, turns the factory into a kindergarten and, for a while at least, paralyzes the business and prevents the further fulfillment of orders. It frequently takes a factory years to reach the same standard of excellence in its production after strikes which are never settled, and the loss of customers that, during the period of suspended production, drift to competitors, is sometimes permanent. The public, accustomed to the frequency of strikes, and sympathizing with the employees, often fails to appreciate the power of this weapon, but workers vested with the legal right to inflict such destruction cannot well be oppressed. Tremendous forces are also in the field to guard against the possibility of employing men, women and children under conditions which will produce an anaemic and deteriorated citizenship in the future. Philanthropic men and women are studying and exposing industrial evils. The American Association for Labor Legislation and the National Child Labor Committee are both powerful and well-conducted movements which are successfully securing the passage in all in-

dustrial states of numerous laws for the protection and welfare of the employed. In the last year alone, they have been influential in securing the passage of over one hundred laws. Employers themselves have become so enlightened that they are introducing many reforms on their own initiative, and large employers' associations have all been urging a bill as to workmen's compensation. The conditions prevailing in many industries to-day are very satisfactory, and the crying evils are limited to certain industries and localities which will be corrected in the near future by forces and movements much more efficacious than the closed shop and involving no such sacrifice of the principles of liberty. But were this not true, it would be far better for this nation to embark on a course of paternal or socialistic legislation in the form of compulsory arbitration or direct legislative regulation of wages, hours and conditions of employment, than to surrender to irresponsible associations having a record such as labor unions now have, the control of the opportunities of securing employment. Such a course would involve swift and certain destruction of the principles of democratic society and the complete abandonment of the grandest concept of modern government—that the individual rights of all citizens are constitutionally protected against even the encroachment of government itself. When unions learn to respect the rights of independent employers and non-union workers, the temptation to boycott, picket, dynamite, assault and murder will pass away and the demand for the closed shop be forgotten.

### WHY THE OPEN SHOP BENEFITS THE COMMUNITY<sup>1</sup>

An "open shop" is one wherein there is no discrimination shown against either union or non-union labor by either management or wage earner.

1. The "open shop" promotes Americanism, because it guarantees to every workman the right to a job, and to every employer the right to the natural flow of labor to his plant.

<sup>1</sup> Reprinted from "The Employers' Association: How Organized and Conducted," by Albert L. Wyman, Secretary of the Employers' Association of Paterson.

2. The "open shop" benefits local banks, landlords and tradesmen, because local wage-earners are thereby enabled to work without interruption throughout the year, increase their earning and add to their savings.
3. The "open shop" increases production in local mills 20% or more, which benefits wage-earners, tradesmen, taxpayers and local industries proportionally.
4. The "open shop" fosters good-will and co-operation between local employers and wage-earners by permitting both to deal directly with each other.
5. The "open shop" fosters respect for law and order by encouraging direct relations between employer and employed, and thus defeats the policy of resorting to strikes, riots, destruction of property, the intimidation, maiming and killing of American citizens while exercising their right to seek employment; and the defiance of courts, police, militia, and even the government, in order to promote the unions' selfish ends.
6. The "open shop" protects wage-earners from being forced out on strike—that is, being compelled to endure idleness, debt and privation—against their will to satisfy a radical minority and frequently without gaining any advantage thereby.
7. The "open shop" guarantees to every American citizen the right of a job, and to employment on the job, without subjection to coercion, intimidation, blacklist and boycott.
8. The "open shop" benefits all wage-earners because each are free to work and earn to the limit of their ability, experience and proficiency.
9. The "open shop" insures to every American boy and girl the right and privilege of learning a useful trade.
10. The "open shop" attracts new industries, which always seek localities where workmen are contented, law-abiding and industrious; the coming of which reduces taxation, increases opportunity for employment and adds to the prosperity of the community.
11. The "open shop" protects American industries in each community—where enforced—against unwise practices, such as abnormally short working hours—restricted production—limited apprenticeships—broken trade agreements—and the insatiable demands of radical labor leaders.

12. The "open shop" lowers the cost of living by protecting the public from a rising spiral of increased prices due to the constant forced raising of wage levels foisted upon American industries by incessant strikes.

## THE SUPREME COURT AND THE OPEN SHOP<sup>1</sup>

The principles of law enunciated are not new in the Hitchman case. They naturally and logically follow previous decisions of the court, but they are consoling and inspiring because they show that great tribunal free from vagaries and tightly gripping and clearly and boldly announcing the most fundamental principles of free government. The decision is, however, at this time especially valuable when organized labor is acting with extraordinary audacity, because it points very clearly the way to a judicial remedy, to which many employers will be driven if the unions persist in a demand for a closed shop monopoly and the substitution of an efficient organization for efficiency in the individual workman as a means of establishing and maintaining wages.

The Hitchman case is a very old one. It began in 1907 by an application for a contemporary injunction in the district court for the Northern District of West Virginia by the Hitchman Coal & Coke Company. This company owned about 5,000 acres of coal land and had a daily output of about 1,400 tons. It was the chief local source of supply for the locomotives of the Baltimore & Ohio R. R. For three years previous to its application for an injunction it had operated under a collective agreement with the United Mine Workers. On April 1st, 1907, its men were called on strike, without grievance or disagreement with the Hitchman Company, but because of a disagreement between the district union and an association of operators with which the Hitchman Company was not connected. The local union was willing to remain at work with the company, the company agreeing to pay its members whatever the new schedule might be determined to be, but the district union would not give the local union permission to remain at work. The company was unable to operate its mines for some two months, and

<sup>1</sup> James A. Emery. *American Industries*. 18:11-12. January, 1918.

suffered severe losses, as it had on two previous occasions, with no power to remedy the conditions since the agreement with the union was not within its hands. In these circumstances, a self-appointed committee of the former union employees called on the President of the Hitchman Company, stated they were not receiving benefits from the union and desired to return to work if terms could be arranged. The company agreed to take them back if they would cease to be members of the union and remain in that status while in the employ of the company, the company agreeing on the other hand that it would not enter into an agreement with the United Mine Workers. Any man would thus become a member of the union if he so desired, but must at the same time cease to be an employe of the Hitchman Company.

Under that agreement men entered the employ of the company, and from January 1st, 1908, new men even signed an agreement to that effect. Subsequently the United Mine Workers determined to organize this and other mines, and proceeded to "persuade" employes of the Hitchman Company to join the union and to remain in the company's employ without the company's knowledge of the fact until enough members had been obtained to cause a strike, which would paralyze the company, and continue to do so until it operated its property upon the terms of the union. There is much evidence of various fraudulent and false statements made to the men by the representatives of the union. The Supreme Court did not find that there was any evidence in the record of violence or intimidation of a physical nature.

In this state of facts an injunction was obtained from the United States District Court which restrained the United Mine Workers and their officers, agents and confederates from conspiring and confederating to unionize the Hitchman mine without the owners' consent and to do the same by procuring a breach of the existing contract between the management and their employes. There were other allegations of boycotting, violence and intimidation, which are immaterial to the principle of law involved, and there were procedural errors imputed to the lower court which did no substantial harm and in no way modified the application of the fundamental principles of the decision. The hearing upon the temporary restraining order was postponed several times by request of the defendants, and without conflict. A temporary injunction was finally issued by

Judge Dayton. Answers were then filed by the defendants, the injunction made permanent and a motion to modify it refused in an exhaustive opinion by the court (172 Fed. Rep. 963), appeal from the order seeking modification of the injunction was refused (176 Fed., 549), and a final decree granting a perpetual injunction to the plaintiff in substantially the terms of their prayer was made (202 Fed., 512). This action of the lower court was reversed by the Circuit Court of Appeals, June 1st, 1914, (214 Fed., 685). A writ of review was granted by the Supreme Court of the United States (241 U. S., 644), and the decision of last week is upon this writ of *certiorari*. The opinion of the Supreme Court, as written by Mr. Justice Pitney, is concurred in by six of the nine Justices; Justice Brandeis writes a dissenting opinion in which his associates, Clark and Holmes, concur. The opinion of the court reverses the Circuit Court of Appeals, modifies the injunction issued by the lower court, by striking out certain persons whom it is shown were not served, and eliminating those portions of the injunction running against acts of physical violence and picketing, which, from the record, it finds were not threatened although enjoined. This, of course, without prejudice to the right of the plaintiff to secure an injunction against these forms of interference, either in a supplemental or an independent proceeding, if they be established as a fact. With these modifications the order and decision of Judge Dayton are affirmed.

The court does not express itself but prescinds from that portion of Judge Dayton's opinion in which he declared that the United Mine Workers of America, as it appeared to be conducted at the time of the bringing of the suit and for some-time previous, was itself a conspiracy in restraint of trade, in violation of the common law of the state and of the Sherman Act. It does hold squarely that the acts and purpose of the defendants were intended to procure a breach of the existing contract of service between the Hitchman Coal & Coke Company and its non-union employes, and the combination presented an unlawful purpose, by unlawful methods, to prevent the continuance of relation which the parties were entitled to enjoy by voluntary agreement.

The decision fully recognizes the right of workingmen to form labor organizations for legitimate purposes, using legitimate means to advance and protect their own interests, as was declared in the famous case of *Gompers v. Buck's Stove &*

Range Co. (221 U. S., 418), but the court points out that the right to form and operate such organizations is not an absolute one but must be exercised with reasonable regard for the equal rights of others, that the right to employ and be employed, or sell labor, is equally a right of liberty and of property, protected even against legislative trespass by Congress or the states, through the terms of the 5th and 14th Amendments of the Constitution; that as in this instance employer and employee had voluntarily entered into an agreement by which the latter had agreed not to become a member of the union during the terms of their employment, employer and employee were entitled to the protection of that status, either party could terminate the contractual status at will, but it must be at their own will and not at the will of others.

The court clearly perceives that it was the plan and intent of the union in this case to destroy, by persuasion and through organization which would cause a strike, when it became strong enough, the contractual status of the Hitchman Company and its employees. The enjoyment of that status, created by voluntary agreement, was a right of the employer, to the protection of which he was entitled. He need not sacrifice it against the power of numbers, in the presence of which he would be helpless, but may stand upon his right of appeal to the preventive powers of a court of equity, and it will be the duty of that court to give constitutional protection to one against the many.

The court points out in passing that the employer, in the conditions described, is entitled to the goodwill of his employees, just as the merchant is entitled to the goodwill of customers. Neither customers nor employees are under any obligation to continue the relation, but while it endures the malicious effort of a third person to destroy it is illegal, and when irremediable, may be the subject of injunction. The right of action against third persons who undertake maliciously to procure a breach of contract is as old as the common law, and recognized and vindicated in the greatest variety of relations.

The court, moreover, points out that methods adopted to unionize are not lawful merely because they are peaceable. A combination to procure a violation of the legal rights of the defendant for the purpose of doing him injury is just as illegal as physical violence or coercion through fear of it. Neither will the court find any justification for the action of the defend-



ants on the ground that they are competitors in trade, or by any analogy thereto.

From this decision, it therefore follows that the employer is equally free to employ union or non-union men, or both, as he sees fit, and the status resulting from such an agreement will be protected against the acts of malicious third persons whoever they may be. This is conceded by the minority opinion as well, since Justice Brandeis admits that the denial of employment, except upon the condition of non-membership in a union, like the denial of labor, except upon membership in a union, are equally non-coercive methods of effecting a legal contract of labor.

When it is said that the union acts with malice, it is not meant legally that they act with personal ill-will, but it is meant that they are endeavoring intentionally to inflict damage upon another, without lawful justification or excuse. In this case both their purpose—to bring about a strike at the Hitchman mine in order to compel its unionization through fear of serious financial loss—was unlawful and malicious, and the method adopted by the agents of the union to accomplish this object was unlawful because it was an endeavor to procure concerted breaches of existing contracts of employment known to be in force, and, further, the attitude of mind of the union and its agents was shown by their misrepresentations to the men including deceptions and threats of money loss.

In other words, the experience of the company explained and justified the character of its relations with its employees. It had, within as many years, suffered three costly strikes while the mine operated on a union basis. It, therefore, upon the suggestion of its former union employees, had a voluntary agreement with them, and undertook to create a condition in which its production would no longer be exposed to arbitrary and costly interruption. The men plainly sought the agreement and entered into it because they desired to be insured of continuous and remunerative employment. The condition resulting from this common experience of workers and management deserved and secured the protection of the law from the very combination which had disrupted the relations between the Hitchman Company and its employees.

It should be noted that simultaneously with the above decision the court, with like dissent, disposed of the case of *Eagle Glass & Mfg. Co. v. Rowe, et al*, upon the same principle. The com-

pany, in this case, operated a glass plant, non-union, under individual agreements with its employes, identical with those presented in the Hitchman case. The defendant union was the American Flint Glass Workers. Certain jurisdictional questions of a technical nature are involved but the principles of substantive law are the same as those in the Hitchman case, which are reiterated and reaffirmed.

## CLOSED SHOP UNIONISM<sup>1</sup>

### *Definition and Extent*

A union is an association of workmen usually of the same trade or craft. The contracts entered into between the union and the employer for the regulation of wages and hours and other conditions of labor are called trade agreements. When a trade agreement contains a provision giving to the members of the particular union which is party to it exclusive employment upon the work of the employer, a "closed-shop" contract results. The "shop" or business of the employer is closed to non-members of the union. The same condition, of course, results when, through tacit acquiescence or implied agreement, the employer follows the policy of exclusively employing union men and of barring non-union men in his work.

With a few exceptions, notably the Brotherhood of Locomotive Engineers, the unions of this country use every effort to secure the closed shop agreement and absolutely insist upon it where they feel themselves strong enough. It is not too much to say that the securing of a universal closed shop in favor of the unions which constitute its membership is the dominant motive to-day of the American Federation of Labor, which represents substantially all the unions of the country outside of the railway brotherhoods. Taking the statistics of the Federation's officers as to the number of men represented by its different constituent members, about seven per cent. of the working men of the country are under the jurisdiction of this organization. The effort to secure the closed shop has been successful to the extent that many national industries and the building industry in many of our great cities and in numberless smaller ones are now governed by closed shop agreements.

<sup>1</sup> Pamphlet by Walter Drew, Counsel for National Erectors' Association.

It is impossible in a single article to fully cover the closed shop in its relations to our modern civilization. It can be studied from many view points,—economic, legal, political and social, from the standpoint of the individual and from the standpoint of the community. The most that can be hoped for is to find out what it actually is in its fundamental motives and purposes, and then perhaps merely suggest some of the phases of its larger relations in our national life.

### *Coercion Necessary to Closed Shop*

One fundamental economic fact concerning the closed shop, when fully comprehended, will serve to make clear many of the other familiar phenomena incidental to it. And that fact which should be thoroughly driven home is this,—force and coercion are absolutely essential to the establishment and maintenance of the closed shop and will always be its most prominent characteristic so long as it continues to be an industrial institution. The reason is very plain. The closed shop, of course, economically speaking, is a monopoly in favor of the particular members of the union which is a party to the closed shop agreement. This monopoly, however, is not real, but artificial and arbitrary. It lacks the chief feature of a real monopoly, which is the control of all the available supply of the commodity. The union, as we have seen, represents only a very small percentage of the mass of labor. Therefore, outside its ranks there is a large supply of labor seeking employment, and it can maintain its monopoly only by preventing this potential supply from reaching its natural market and coming in contact with the correlative demand of the employer. The union, as we shall see, offers the employer no special inducement in the way of greater skill or efficiency to lead him to prefer its members over the outsider. Time was when the comparative security offered by trade agreements for a limited time gave the employer some incentive to give preference to union men, but this reason also is of little present importance. It comes finally down to the fact that the union, through its organization and by such means as it can use, is face to face with the problem of preventing the employment of outside workers in the market which it seeks to control. This prevention is accomplished in one way, and in one way only—the use of force and coercion in some form or another, either to keep the outsider from accepting employment, or to keep the employer from accepting his serv-

ices. So, to repeat, and it is worthy to be repeated and to be remembered in connection with every form which the discussion of the closed shop may take in its different aspects, the establishment and maintenance of the artificial monopoly of the closed shop involve as an inevitable, economic necessity the constant checking and thwarting of the ordinary working of the law of supply and demand, and a consequent use of force and coercion.

### *Its Forms*

The reader has some idea already as to the forms which this force assumes. In its cruder aspects, it is force direct, physical, violent. Men seeking to bring their labor to a market which a union desires for its own are threatened, assaulted and sometimes killed. This violence is one of the common features of all our great strikes, and, of course, the more in evidence as the character of the men involved goes downward in the scale. But often and much more effectively the force used is of a more subtle kind, and is brought to bear not upon the outside worker to keep him from accepting employment, but upon the employer to compel him to refrain from accepting the services of the outsider. Some of the means employed are the boycott of innocent third parties to keep them from dealing with the particular employer from whom it is desired to secure a closed shop agreement, and the sympathetic strike, which means that other unions lend their aid to the particular union engaged in the controversy by going on strike against the employer. In these ways it often happens that the employer not only finds himself unable to secure the raw material for his work, but also customers for his product, and finally yields to the demand of a few men for exclusive employment and forgoes his right to avail himself of the large outside supply of labor we have noted.

### *Closed Shop Not Representative—Hostile to Outside Workers*

Another general economic consideration and one that may be at variance with previous impressions of the reader is that the closed shop union, instead of being representative of the great mass of labor and the champion of labor as a whole, is, on the contrary, absolutely hostile to the outside worker. This follows naturally from what we have just noted. The union in its closed shop, dependent upon restricting the employment of labor

to its own members and threatened with the competition of non-members, bears about the same relation to the non-member, so far as loving him and representing his interests is concerned, as the Standard Oil Company bears to an independent refiner. The unions, of course, in public insist that their cause is the cause of labor in general and that they are willing to share their benefits with all workers. In actual practice, however, something quite different occurs. In New York and in several of the other large cities, it is stated on good authority that the books of several of the building trades unions are absolutely closed to new members, thus restricting the monopoly to the present membership. In San Francisco after the great earthquake, when a sudden demand was created for the services of many more thousands of workers in the building trades to engage in the work of re-building the city, the unions adopted the policy of prohibiting the entrance of outside labor, even barring members of their own unions from other cities. In this way the wages of the local union men who had the monopoly were doubled and even trebled in many cases. The ratio of increase in the power of the union under the closed shop corresponds exactly with the ratio of decrease in the number of apprentices which it allows under its rules to learn a trade. In many of the building trades in the great cities, only one apprentice to every ten journeymen is permitted. This, of course, limits the number of those entering the combination to a point where it does not over-balance the number dropping out, and thus keeps the supply of labor which the monopoly represents down to a proper scarcity. How then can the union, entrenched in its closed shop, holding back the great mass of outside labor from employment by the strong arm and restricting its market to a greater and greater degree, be considered in any sense as representative of the laboring classes as a whole?

### *The Labor Boss—His Power and Graft*

Coming from the broad and general view to one nearer at hand, of the actual workings of the closed shop as an industrial factor, the first observation is that it puts industry,—the direction and control of the factors of production,—largely into the hands of the union boss. The union is a voluntary association controlled by the will of the majority and its leaders or bosses are those who are able to secure the votes,—that is, they are men who have the political gift and are not necessarily, but only

accidentally, men who have any knowledge of business or any experience or training in the handling of the forces of production. The motive of the boss is to maintain his position and to advance the interests of his union as he sees it, and he is not troubled with any economic theories or any broad view of the industrial situation, or any great amount of interest as to the industrial future. Labor is absolutely essential in every business. Invested capital in the form of tools, machinery, raw material and buildings is absolutely valueless without the added increment of labor. The union boss, then, entrenched behind the closed shop monopoly of his union, is in a position to exert a powerful and dominating influence in the direction and control of the business, and this control has long since in many trades gone beyond the mere matters relating to the conditions of labor and extended to the larger affairs of business policy. From this power and control of the union boss, since he is only human, follows another sinister fact—graft. The charitable-minded average citizen often thinks that graft in union circles is a mere accidental circumstance restricted to a few dishonest men. Of course, there are union bosses who are honest, as there are men in every human institution that are honest, but the point is that the natural tendency of the closed shop is to produce the grafter and that men of that stamp are the one who most eagerly seek this position of industrial power for the opportunity it offers. Nor is the graft item a small tool upon industry. In one case alone where the facts became public, it was shown in the sworn testimony of two different trials that Shea of the Teamsters' Union received the sum of \$1,500 from the garment workers' union to call a teamsters' strike on Montgomery, Ward and Company, of Chicago. This strike cost the parties directly interested, according to the leading Chicago papers, \$2,000,000, and it cost the business interests of Chicago indirectly between \$25,000,000 and \$30,000,000. Sheas' two trials cost the County of Cook in the neighborhood of \$100,000, and, of course, somebody had to pay all these bills, and somebody means the general public.

#### *Jurisdictional Dispute—Sympathetic Strike*

The desire to secure the spoils of monopoly represented by the closed shop leads to two other features of the system which at first seem paradoxical and which are becoming more and more common. The different unions have reached the

point of quarreling among themselves as to the control over certain kinds of work, but at the same time are adopting more and more the policy of joining their forces and working together to maintain and extend their common jurisdiction. In the building trades especially, the dividing line between the work in different trades is often very indistinct. Shall reinforced concrete be handled by the iron worker because it contains steel rods, or by the concrete worker or the bricklayer because it is composed largely of concrete? Questions of this nature arise between the plumber and the steam fitter, the boiler worker and the iron worker, the concrete mixer and the bricklayer, and so on. The interest of the owner in these disputes is entirely ignored, and his work becomes a mere pawn on the board of contention between the hostile unions. One notable example comes to mind. A compressed air cleaning apparatus was part of the plans for the new Marshall Field Company's building in Chicago. Both the plumbers and steam fitters claimed the work of installing it. Each was backed up by several sympathetic unions. Each union with its following threatened to strike if the work was given to the other. The company decided to do without the apparatus entirely, whereupon both contending factions united in demanding that it be installed or they would all strike. The result was that the entire work on the building was delayed in the neighborhood of six weeks while the building trades council of Chicago arbitrated the dispute between the plumbers and the steam fitters' unions. The Marshall Field Company, after the decision was rendered, was instructed to proceed with the work in accordance with the terms of the decision, although it had no representation nor voice in any way in the entire proceeding. Here in one instance is an example of both the tendencies noted. The sympathetic strike is becoming very common, and it is significant to note that, in the great majority of cases, unions which have no grievance against the employer will go on strike against him to help some other union secure a closed shop agreement, when they would not interfere at all if only the question of wages or hours was involved.

#### *Breach of Trade Agreements*

The only excuse from the employer's point of view for giving to a union a monopoly in his work is to secure a trade agree-

ment, containing certain covenants of conditions under which he is entitled for a certain definite period of time to the services of the members of the union upon certain definite terms. The sense of power coming from the long possession of a monopoly in the work, coupled with a total disregard of the interests of the employer as shown in the jurisdiction dispute and the sympathetic strike, often lead naturally to a refusal by the union to be bound even by its agreements. This is especially true where the question of the closed shop is involved, for the reason that the union seems to believe the closed shop essential to its existence. In August, 1907, there met in the city of Washington a convention, composed of the national and international officers of all the building trades unions in the country for the purpose of considering ways and means of making the capital city a complete closed shop town, the wall hitherto maintained against non-union labor having been partially disrupted by the employment of non-union plumbers by some of the local employers. This convention, composed not of the local leaders, subject to local passions and prejudices and of lesser wisdom, but of men who constituted the court of last resort in union matters, called a general building trades strike in the city of Washington, not on account of any question of wages or hours, but for the sole purpose of compelling the discharge of all non-union workmen in that city. This strike was in violation of trade agreements in numbers of the different trades, and when the attention of one of these national labor leaders was called to this fact, he replied, "When it becomes a question of the open or closed shop, to H—l with trade agreements."

#### *Decreased Efficiency of Men—Reasons*

Other general economic features of the system could be noted, but space prevents the mention of but one more and that the most vital, important and sinister of all, the decreased efficiency of the union man. The fact is too well settled to permit of argument. Bricklayers, for instance, in a closed shop will lay on an average eight hundred to one thousand bricks per day, when a fair day's work of eight hours, and one which was common a few years ago, would be three thousand and more brick. The structural iron worker, when he had his closed shop, would drive from seventy-five to one hundred rivets per day. In an open shop at the present time in New York and other



cities, the output runs from two hundred to four hundred rivets per day. A carpenter before he had a monopoly would hang a door an hour; now, in his closed shop, he considers four doors a good day's work. President Mellen, of the New York Central, in a recent report, stated that with every increase in wages to the union employees of the road there was a corresponding decrease in efficiency.

These things are not hard to understand. The wage scale by which the good man and the poor receive the same wage takes away the incentive of the good man. Why should he do any more or better work than his fellow, when they receive the same wage? The good man, also, is often kept from conscientious work by the union doctrine that he must not set too fast a pace for his less-skilled fellow, who otherwise might lose his job, if the comparison were too much to his discredit. This applies not only to his less-skilled fellow union men, but also to the shiftless and the lazy, who because of service in union political matters have been rewarded with a job in which the union boss desires to see them retained. The practice of making work is also common. That is, in dull times, if a piece of work could be very well performed by ten men in a given time, each man employed so decreases his efforts as to make it necessary to employ twelve or fifteen men in order that employment may be given to more of the members of the union. The teaching of labor leaders to the effect that labor produces all wealth, that there is an inevitable conflict between capital and labor, and that unions are organized for the purpose of getting as much as possible and giving in return as little as possible, all serve to deaden the conscience and decrease the effort of the union man. The natural result of this combination of causes, added to the ever-present fact, of course, that the union man in the closed shop is not subject to discharge, as would be a non-unionman, but has back of him the entire strength of the monopoly to vouchsafe him his job, results in reducing the efficiency of the men to a point where that of the shiftless, the lazy and the least skilled becomes the common measure of the efficiency of all. The question of high wages, then, is not the most important in reaching the final wage cost; and when, coupled with high wages, there is a decrease in the output of the worker fifty per cent. or more, the final figures reflected in the cost of production become startling.

*Closed Shop—Cost of Production—Prices*

As a partial summing up, pile up on top of this abnormal wage cost the toll of graft; the losses occasioned by jurisdictional disputes, sympathetic strikes and strikes waged to establish the closed shop and involving no question of wages or hours; the general and more indefinite loss to industry through the disorganizing of the productive factors due to the domination of the union boss and the arbitrary restrictions and limitations insisted upon—and some idea may be gained of what the closed shop means in its relation to the cost of production. The final consumer must pay for all these items, unreasonable, abnormal, illegitimate and uneconomic as they may be. One partial offset to this is the fact that high wages are paid to the few men having the monopoly, thus increasing their purchasing power and creating to some extent a market for goods at the higher prices; but this is a very small item of benefit, for the reason that the number of men receiving the higher wages is so few in comparison with the numbers of the great purchasing public that the wages paid them can have very little appreciable influence in creating a general market. The final result then, is that the general public pays abnormal and uneconomic prices for many products with no corresponding element of benefit.

*Closed Shop An Oligarchy*

Socially, the closed shop is an oligarchy. We have noted that economically it does not represent the great mass of wage earners, but that, on the contrary, it is hostile to them. Its tendency therefore is to develop a class feeling as among workmen themselves. A man inside the union, receiving monopoly wages and secure in his job, is a privileged person, and the outsider is to him not only a possible competitor, but a less fortunate individual, lower in the human scale. The closed shop union, being a trust economically, naturally develops into an oligarchy socially.

*Effect on Character*

The effect upon the member of the union in his individual aspect, however, is more important. One of the strongest forces for the upbuilding of character is the joy of work and the pride in achievement. The union man, whose incentive in his work

has been taken away from him and whose efforts have come to be measured by those of his incompetent and idle fellow, has lost this moral uplift. He tends to deteriorate, not only as a productive factor, but as a man. No man can continue day after day, and week after week, to receive the highest of wages and to render in return therefor less than his best endeavor without an inevitable loss in character. The act in its essence is dishonest, and in his inner conscience the man knows it is dishonest, no matter what heed he may give to the specious reasoning of his union leaders.

### *The Closed Shop and the Law*

The legal aspects and phases of closed shop unionism and its political activity are closely related, and both of them follow naturally from the use of force and coercion we have noted as necessary to maintain the union in its monopoly. The union, legally speaking, is a combination, and combinations are governed by the laws of conspiracy. The whole law of conspiracy is summed up in the definition of what a conspiracy is—a combination having an unlawful purpose, or using unlawful means. The law recognizes that a combination of men is much more potent for evil than is one man, and some limitations are put upon the acts of combinations which do not apply to individuals. The law says that a combination of men has no right to inflict injury maliciously upon others, whether the combination be one of manufacturers, real estate dealers, working men, or any other class of citizens. In a late and leading case in the House of Lords, Lord Lindley said, "My Lords, it is said that conduct which is not actionable on the part of one person cannot be actionable if it is that of several acting in concert. This may be so where many do no more than one is supposed to do, but numbers may annoy and coerce where one may not. Annoyance and coercion by many may be so intolerable as to become actionable and produce a result which one alone could not produce." Said Judge Taft, speaking of a combination of workmen, "Such combinations are said to be unlawful conspiracies, though the acts in themselves and considered singly are innocent, when the acts are done with malice, that is, with the intention to injure another without lawful excuse." Said Mr. Justice Holmes, when on the Supreme Bench in Massachusetts, and in a case involving a labor union, "I agree, whatever may

be the law in the case of a single defendant, that when a plaintiff proves that several persons have combined and conspired to injure his business, and have done acts producing that effect, he shows temporal damage and a cause of action, unless the facts disclose or the defendants prove some ground of excuse or justification."

On this broad basis the courts have prohibited manufacturers, wholesale dealers, newspaper men as well as labor unions from carrying out combinations for the purpose of injuring others. The black list and the boycott have been condemned. There is no single principle of the law of conspiracy that has not been applied to combinations of employers as well as to labor unions, and in many cases the application was first made to combinations of employers.

### *Efforts to Change Law*

It can at once be seen, however, that labor leaders in the endeavor to establish and maintain the closed shop, with the inevitable use of force and coercion incident to their efforts, would find a serious stumbling-block in the law. Their combined attempt to prevent outside labor from seeking employment by means of intimidation and violence was declared unlawful and enjoined. The boycott against the employer and against innocent third parties as well, in order to so cripple his business as to compel him to accede to their demands, was declared unlawful and enjoined. And here the political activity of organized labor began. The claim was made that the law discriminated against the union, that the judges administered the law in a prejudiced and partisan manner, and that our courts were being used for the purpose of denying to labor ordinary and fundamental rights. These claims have been made so persistently and so long that many people believe there must be some reason for them. Under their cover, laws are being demanded of Congress and of different State Legislatures, which would change the old common law of conspiracy so far as it applies to organized labor, and which would give to it special license and immunities in carrying on its coercive campaigns. Anything short of actual crime that a labor organization saw fit to do in the way of using its combination to injure others and to compel concession to its demands would be legalized by the laws proposed.

*Closed Shop Not Necessary to Unionism*

There would seem to be nothing desirable about the closed shop as a fixed institution in our national life—in fact, its every influence appears upon analysis to be decidedly detrimental to industrial and social progress. What is its justification? Upon what economic, plausible foundation does it rest? The only excuse that is ever given is that the closed shop is absolutely necessary to the development of the principles of unionism. In other words, unions must have a monopoly, or they cannot exist and flourish. The facts do not justify this contention. The most powerful and successful union in this country, the Brotherhood of Locomotive Engineers, is and always has been an open shop organization. It has never presumed to insist upon exclusive employment of its members. The unions of England, which are far in advance of those in this country in organization and influence, are all upon the open shop basis. The closed shop is a peculiarly American institution.

But to go further into the reason of the matter. The union seeking a trade agreement from the employer, and in the absence of the use of force or coercion, must give him some inducement to grant the terms asked. This inducement naturally would consist in some form of benefit to the employer in the way of greater efficiency and productive capacity on the part of the members of the union, or in the security offered for a certain period by having certain definite terms agreed upon, from which wage cost could be readily calculated. Any employer would be not only willing but anxious to enter into agreement with a union whose members, on account of greater skill and competency and through a spirit of co-operation and a desire to achieve the very highest productive capacity, would work in harmony with him to produce the best possible returns from his capital and their labor. It is an economic fact that increased utility on the part of the worker tends to an increase in his wages, for the simple reason that he is worth more. Increased utility on the part of workers generally in any business would result immediately in a corresponding increase in the product, which means that the employer would be in a position, through this one fact alone, to pay higher wages to those responsible for the increase. Conversely, the decreasing efficiency of the men resulting in a constantly decreasing product makes it correspondingly more difficult for the employer to sustain the

rate of wages. A union, adopting the ideals of increased efficiency and the sanctity of trade agreements and of a spirit of co-operation with the employer to attain the highest possible productive capacity of the business and whose members were chosen and instructed with a view to these ideals, would have no trouble in making satisfactory trade agreements at fair wages and would need to have no fear of the competition of outside workmen.

### *An Evil to Union Man Himself*

The process would not stop here. An increase of product, resulting from the increased utility of the workers, would require a greater amount of material and machinery. This means that other industries would be called upon for this material and machinery and that a new demand for labor in those industries would be created, with a corresponding tendency to increase wages. The lessening of the cost of production, coupled with an increased product, would tend to lower prices. The worker, therefore, in return for his increased utility would not only receive higher money wages, but his cost of living would be reduced by the resulting decrease in prices. The matter seems to resolve itself down to the fact that the closed shop is an economic and social crime from which absolutely no permanent good to any one can result, not even to the union man himself. Those who sincerely believe in the combination of working men for their own protection and in the value such combinations could have industrially and socially, should be the last to encourage perpetuation of the closed shop system.

### *Public Final Arbiter*

It is often said that it takes two to close a shop—the employer and the union. We may add another party, the general public, for without the approval and acquiescence of the general public, which is the final arbiter in industrial matters as well as the final consumer which pays the bills, such a system could not exist. The political activity of the unions in their endeavor to secure legislation favorable to their coercive methods is forcing these questions upon the public to a greater extent than ever before. There is no reason to doubt the ability of the American people to settle the questions involved when it finally takes them up in earnest. Disassociated as it is from the interests of the masses and standing for special privileges to a

few, closed shop unionism has little chance of making much headway as a public issue, especially with a people who have developed a habit of thinking that all great industrial combinations should serve some public good, and have formed a firm and deep-seated purpose of regulating and controlling the great combinations and trusts of capital, so as to protect and subserve the public interest.

## THE CLOSED SHOP OR THE REPUBLIC<sup>1</sup>

America will abolish the closed shop, or the closed shop will crush America. There was a time when the closed shop was used by organized labor to consolidate victories in hours and wages, and to prevent any reverses through a break in the ranks. Such breaks, it was assumed, would be avoided by compelling every prospective employe in a given plant to join the union before he could go to work. Thus we got "recognition of the union" as a cardinal principle of organized labor. Recognition of the union in any instance means, in the parlance of organized labor, the establishment of a closed shop. So, also, the right to organize labor unions, which all America concedes, means in the parlance of organized labor the right to establish the closed shop, something which all America does not concede and which America can not afford to concede. For the closed shop today has little or no relation to hours and wages. The closed shop today is used by organized labor primarily for the acquisition of political power.

The most impressive illustration of that fact began with the passage of the Adamson law by Congress in 1916. The railroad brotherhoods had long enjoyed the monopoly of employment known as the closed shop. They demanded a raise of pay in the disguise of an eight-hour working day. To avert a railroad strike, the President of the United States besought the Congress of the United States to give the brotherhoods by law practically what they had demanded from their employers. The brotherhood chiefs gave Congress so many hours to come across, and sat in the galleries of the House and Senate with stop watches in their hands to see not only that their word

<sup>1</sup> H. M. Nimmo. *The Labor American*. 2:9-10. December, 1920.

was made law, but that it was made law on time. Congress obeyed its masters and the strike was avoided.

Some months later one of the brotherhoods again asserted its superiority to the United States Government by expelling some of its members for testifying before the Interstate Commerce Commission contrary to brotherhood regulations.

The climax of union dictation was reached when the brotherhoods swooped down on Washington during the past year and demanded that Congress buy all the railroads in the United States and in effect turn control of them over to the brotherhoods. And for that plan, camouflaged as Government ownership, the whole American Federation of Labor voted by nearly four to one in its recent convention in Montreal. Does any sane man believe that without the closed shop and the monopoly it gives these brotherhoods on railroad employment they would have the arrogance to mulct the nation for such a sum as that?

The steel strike was not a strike for hours or wages. It was a strike for political power, as the Senate investigation clearly showed. It was a strike, for one thing, against "company unions," which transacted business with the employer without the aid of the American Federation of Labor and its professional labor leaders. It was a strike to fasten the closed shop on the steel industry, and bring it into complete subjection, like the railroads, to organized labor. The gentleman who first devised the plan of having the Government buy the railroads for the unions has since included in his program all the basic industries, and the American Federation of Labor is formulating another campaign for the conquest of steel.

The Boston police strike, backed by the American Federation of Labor, was a deliberate defiance of constituted authority, and an attempt to set organized labor above the law, and it was accepted as such by the people of Massachusetts when they re-elected by one of the largest majorities ever polled in that state the Governor who smashed it.

The attack of the American Federation of Labor on the Kansas industrial court is avowedly an attack on the right of the American people to guarantee themselves the elemental necessities of food, clothes and shelter. "The public," says President Gompers, "has no rights which are superior to the toiler's right to live and to his right to defend himself against



oppression." But the Kansas industrial court does not question the toiler's right to live or to defend himself from oppression. On the contrary, the Kansas industrial court was established to assert and enforce those rights by judicial procedure rather than by strikes.

What is more, Mr. Gompers knows that quite well, but he prefers strikes to judicial procedure or any other government action. "The freedom of workmen in enjoyment of the right to strike," he argues, "means the freedom of men to make life better, safer, happier." It is equally true that the freedom of workmen in enjoyment of the right to work means the freedom of men to make life better, safer, happier. Kansas would guarantee to every man the primary right to work, strike or no strike. Gompers would take that right away from him and vest it in a closed shop labor union.

You can't make life very safe or happy if you can't get any food or clothes or shelter, and if Mr. Gompers has his way you won't have any food or clothes or shelter whenever a food union, or a clothes union, or, let us say, a coal union, is on strike. It is Mr. Gompers' conception of freedom that anybody who tries to get you or your children any food or clothes or coal under such circumstances is a scab, and if you try to get any of these things yourself by voting for a court that can remove the cause of such a strike or protect those who are willing to take the place of the strikers, Mr. Gompers will tell you with a perfectly straight face that you are making a slave of the workingman, though he will not carry his logic far enough to admit that the workingman who is willing to starve or freeze you or your family by striking is making a slave of you.

The slaves Mr. Gompers talks about are all slaves with votes. If they don't like an industrial court, or any other bit of government machinery, let them wipe it out at the polls like American citizens. If they can't wipe it out at the polls they are in the minority. Being in the minority—Mr. Gompers himself doesn't claim over a fourth of the population for organized labor—they can inflict their will on the Government of the majority only by the use of force, and that force they mobilize in the closed shop, which aims to monopolize employment and control industry and so exercise a political dictatorship after the manner of the railroad brotherhoods.

So determined is organized labor to run the country to

suit itself, even though it represents only a minority, that it opposes every attempt of the vast majority to restrict or delimit industrial warfare by Government action. The American Federation of Labor not only opposed the anti-strike clause in the new railroad law, but is even now demanding the abolition of the railroad wage board set up in that law as a buffer for strikes. All Government boards, whether of conciliation or arbitration or investigation, are anathema to the American Federation of Labor. Profit sharing of all kinds is denounced by organized labor because it brings the employer and employe together, and organized labor must keep them apart to hold its job. Compulsory investigation of industrial disputes Mr. Gompers has described as a "blood relation" of compulsory arbitration because it tends to suspend the right to strike.

The divine right to strike is the spiritual successor of the divine right of kings, which civilization long since laid away among the relics of the race, and for that right to strike organized labor is willing to visit on this country suffering and loss such as organized labor itself would not permit a foreign power to impose on us. Strikes cost the United States two billion dollars last year.

Either the Government of the United States is going to preserve fundamental American rights from union aggression, or the Government of the United States is going to submit to a super-government of the unions, for the unions and by the unions. The second alternative means class rule and class legislation, in which Russia presents such a conspicuous failure.

Between Russian bolshevism and the American closed shop there is little difference as far as the operation of industry is concerned. Bolshevism seizes the industries outright and makes the Government responsible for them, whereas the closed shop strives to control the industries without relieving the owners of any financial responsibility; but that difference will begin to disappear if the American Federation of Labor succeeds with its railroad policy, and proceeds with the rest of Mr. Plumb's plan for the nationalizing of the basic industries.

Between Bolshevism and the closed shop there are startling points of resemblance. The closed shop stands for a standard of work under which the most incompetent can qualify for a day's pay; it stands for retarded and lowered production; it

stands for organized slacking; it stands for a maximum wage and a minimum of effort. Bolshevism, under which the workers themselves at first operated the industries, revealed precisely the same weaknesses, and at such cost to the country that the Bolshevik chiefs have been compelled to reinstate one-man managements and to apply conscription to labor in order to get something for the country to live on. The closed shop is fostering for America the same economic disaster, with the Plumb plan as the first bitter fruit. With an economic fallacy for a foundation the people of America are now being asked to erect a half socialistic state and finance it. Their purse is not long enough—and never will be.

The answer to this conspiracy against the Republic is the open shop, wherein a man may earn a living without paying tribute for it; where individual freedom reigns; where the best man wins what is coming to him; where a fair day's work for a fair day's pay is still an honored motto; where reasonable discipline guarantees reasonable production and efficiency; where an American citizen may retain his first allegiance to his country and to his Government.

## THE CASE FOR THE OPEN SHOP<sup>1</sup>

It is apparent from our experiences of the past that we cannot hope for efficient production under a closed shop or organized labor control. Unwise leadership has chosen to restrict production wherever organization had secured control of an industry or an establishment. Each succeeding increase in wage has been followed by a decrease in output under stringent rules. The flagrant abuses in the building trades are familiar to all of us and are only indicative of similar abuses wherever organized labor has secured control over industry. The inability of wages to ever overtake cost of living under such practice is so apparent that it is difficult to understand why it is continued. The fact that there have been so few organized industries, as compared with the independent ones is all that has prevented disaster before this.

I can see but one permanent remedy for this condition, and that is the adoption of wage system based on production. The employer must assume responsibility for development of such

<sup>1</sup> By John W. O'Leary. *Nation's Business*. 8:18. June, 1920.

## THE CLOSED SHOP

systems. They must be fairly based, so that an honest work will produce an honest day's pay. Beyond that, the individual workmen should be unrestricted and every effort made to encourage a maximum of output. The result will be a high real wage, rather than a high money wage, a participation in profits of industry and a benefit which will reach the public. Shorter hours will be possible and, not least of the advantages of such system, will be contented men. It is unnatural for men to be contented under a program of work which requires them to kill time, and nothing quite equals the satisfaction of accomplishment of a real task.

The establishment, as a unit of production, is of equal importance in our responsibilities. It is difficult to develop any effective means of sympathetic relationship where management is far removed. It is dangerous to such relationship to permit an outside interest to intervene. Such intervention or interference brings a separation rather than a unification. I know that it is contended that employees can only express themselves through men trained in fighting their battles. But such contention is based on a wrong conception of American industry. It is based on a vision of industry today which pictures a great corporation with millions of capital and management far removed from the individual worker. Yet 95 per cent of the manufacturers of the United States employ less than 100 men, and 98 per cent less than 250.

## CLOSED SHOP<sup>1</sup>

The remarkable growth of labor organizations in recent years has brought into public discussion more prominently than ever before the question of the union versus the open shop. Refusals to submit to the indignity of working by the side of "scabs," violent upheavals caused by the desire to avoid contamination from "unfair" materials, and earnest demands that public employments shall be closed to all who cannot produce union cards, are some of the aspects which the problem assumes. As frequently as not the collective agreements which are thought to point the way to industrial peace call for the complete unionization of factories or workshops; while, through the agency of the union label, the consumer is in-

<sup>1</sup> Bullock, C. J. Atlantic Monthly. 94:433-9. October, 1904.

vited to place the seal of his disapproval upon the employment of such unclean things as "rat" or "scab" labor.

Historians of the labor movement tell us that in poorly organized trades this dislike of working with outsiders has often seemed not to exist, and that usually an exclusive policy has not appeared until the unions have become large and powerful. This fact is not difficult to explain, because, other things being equal, it is obvious that the fighting strength of a labor union depends upon the comprehensiveness of its membership. While, therefore, it may be inexpedient for a weak union to press this claim, we must expect that every accession of strength will bring into the foreground the contention that only union men shall be employed. In England, according to Mr. Sidney Webb, a few of the strongest organizations have succeeded in making it impossible for independent workmen to secure a livelihood; but in the United States such paradisiacal conditions are probably exceptional, although the demand for a closed shop has become one of the cardinal points of trade-union policy.

Even outside of the ranks of organized labor there seems to exist to-day a considerable body of opinion favorable to the demand. Sometimes this is merely the result of a vague feeling that labor is the under dog, and is asking for nothing more than the trusts have already secured. Not infrequently it is voiced by the socialist, whose passion of Humanity usually stops this side of the despised "scab." In other cases it is due to a failure to realize the precise nature and logical consequences of the policy now under consideration. It is, doubtless, upon this last ground that we can explain the conclusion reached by the late-lamented Industrial Commission, that there is, "beyond question, much force in the argument of the union men in defense of their attempt to exclude others from employment."

In considering the merits of this proposal our argument will proceed upon the full and frank recognition of the right of laborers to organize for the purpose of raising wages or improving in other lawful ways the conditions under which they work. Trade-unions become subject to just criticism only when they endeavor to accomplish illegal or uneconomic purposes, or when they employ improper means of attaining their ends. From this point of view, which at the present day is the only one worth discussing, the two questions to be deter-

mined concerning the closed shop are, whether it is in itself a proper object of trade-union policy, and whether it can be secured by proper means.

In defense of the demand for a closed shop it is usually argued that the individual laborer has the right to refuse to work with any person or class of persons who may be distasteful to him, and that what an individual may rightly do, a union, or combination of individuals, may properly undertake. When stated in such broad terms, the argument overlooks certain important qualifications which need to be considered carefully before a safe conclusion can be reached.

So far as the individual laborer is concerned, it is undoubtedly true that a simple refusal to work is a perfectly lawful act. But the mere termination of the employment contract is one thing, and the demand that a fellow workman be discharged is quite another. The former involves nothing but the *control* of one's own labor; the latter is an attempt to persuade an employer to have no dealings with a third person whose right to secure employment is thereby invaded. Such an interference with the rights of others is clearly unlawful, unless it can be shown that there is adequate justification for it. If, for instance, the obnoxious man be an incompetent engineer whose ignorance or inexperience endangers the lives of all who work in a mine or factory, a demand for his discharge would be morally and legally defensible. If, however, the demand is based upon the laborer's political or religious beliefs, no such justification can be shown to exist; and any one injured in such a manner would be entitled to recover damages from the person who had procured his discharge. Whether now a refusal to join a trade-union is to be deemed a satisfactory or an insufficient reason for interference with the contract rights of the non-union man will depend upon the view that one holds concerning the desirability of permitting a laborer to enjoy freedom in the disposal of his labor. At present the theory of our law is that this freedom is a highly desirable and important thing, so that it is hard to justify the act of persuading an employer to discharge a non-union man.

But when a demand for a closed shop comes from a combination of laborers the objections are still greater. In such a case the civil liability for damages continues, while there is the further possibility that the act may constitute a criminal con-

spiracy. In the eyes of the law there are important differences between an individual and combination. These are based upon the principle that an individual is responsible for his overt acts, while in a combination the mere agreement to unite for a certain purpose constitutes an act for which the members may be held accountable. "The number of the compact," as an eminent judge has put it, "give weight and cause danger;" and it is reasonable and inevitable that, since the power of a combination far exceeds that of an individual, a stricter accountability should be enforced in the one case than in the other. If now it be unlawful to procure the discharge of a fellow workman who refuses to join a union, the consequences of such an act are all the graver when a number of men conspire to bring it to pass.

The decisions of our courts disclose the fact that some difference of opinion exists among our judges. In most of the earlier cases it was held that the attempt of a union to prevent the employment of outsiders, and particularly to secure the discharge of men already employed, constituted an unlawful interference with the rights of others. More recently, however, under the influence of the well-known English case of *Allen v. Flood*, there have been a few American decisions that admit the right of a combination of laborers to refuse to work with persons who may for any reason be objectionable. But the decision in *Allen v. Flood* did not relate to a case in which the existence of a combination was established, and, at the most, decided what it was lawful for an individual to do in the course of a labor dispute. In 1901, in the now leading English case of *Quinn v. Leatham*, the House of Lords made short work of a combination of laborers which attempted to bring about the discharge of a non-union man by establishing a boycott against his employer. While for the United States the question may not be finally adjudicated, it is safe to say that the decided weight of authority is against the legality of the position of the trade-unionists in this matter.

Sincere the ultimate legal rule has not yet been established, the more interest attaches to the economic aspects of the subject, for these, obviously, must exercise considerable influence upon the final course of the law. From the economic point of view the fewest difficulties are encountered in the case of a union that is compelled to fight for the mere right to exist. When employers undertake to close their shops to members of

labor organizations, a common device is to discriminate constantly against union men. If new hands are taken on, outsiders are certain to be given the preference; when the force is reduced, members of the union are selected for dismissal. Under such circumstances the organization is likely to disintegrate unless it resists the employment of non-union men. If we grant, as we have done, that laborers have a right to organize, it is hard to criticise a union for meeting discrimination with discrimination. A refusal to work with non-union men in a shop or factory where discrimination is practiced against the members of the union has neither the purpose nor the necessary effect of establishing a monopoly or infringing the rights of others; the only practicable alternative would seem to be the surrender of what is conceded to be a clear legal right. It may be difficult for the courts to find a difference between such a case as this and the others that constantly arise, but that there is an economic and a moral distinction can hardly be doubted by one who believes that laborers have the right to organize. This has been recognized in the laws which some sixteen states have passed "prohibiting employers from discharging employees for belonging to or for joining labor unions, or from making it a condition of employment that they shall not be members of such unions." The constitutionality of such a statute has been denied in Missouri and upheld in Ohio, so that we here encounter another legal difficulty that it ill behooves a layman to attempt to settle. But if the right to organize exists and is deemed by the legislature to be important enough to require legal protection, it is hard to see why these laws differ materially from the statutes found in nearly all the states prohibiting employers from interfering with the political rights and privileges of their workmen. More important, however, than the constitutionality of these enactments is the fact that in practice they can be of comparatively little protection to the laborer. Most wage contracts are terminable at any time at the pleasure of either party, and it is not easy to establish by legal proof the precise reason for the discharge of a union workman. Unless, therefore, laborers are allowed to protect themselves under the circumstances now in view, it would seem that they suffer from grievous disabilities under our present law.

But the situation is radically altered when a union undertakes, in cases where no discrimination is practiced by employ-



ers, to insist upon the exclusion of all independent workmen from an entire craft or trade. The argument in favor of such a policy has recently been stated by Mr. John Mitchell in the following words: "The union workmen who refuse to work with non-unionists do not say in so many words that the employers shall not engage non-union workmen. The dictum of the trade-union is not equivalent to an act of Congress or of a state legislature prohibiting employers from engaging non-union men. What the unionists in such cases do is merely to stipulate as a condition that they shall not be obliged to work with men who, as non-unionists, are obnoxious, just as they shall not be obliged to work in a dangerous or unsanitary factory, for unduly long hours, or at insufficient wages. Of course, when unions are strong and include all the best men in the industry, this condition amounts to a very real compulsion. The compulsion, however, is merely the result of the undoubted legal right of workmen to decide upon what terms they are willing to give their labor, and the employer is always theoretically and often practically in a position where he may make his choice between union and non-union labor." It will be observed that Mr. Mitchell candidly admits that the policy may result in "a very real compulsion" both upon employers and upon non-union men. Elsewhere he remarks: "With the rapid extension of trade-unions, the tendency is toward the growth of compulsory membership in them, and the time will doubtless come when this compulsion will be as general and will be considered as little of a grievance as the compulsory attendance of children at school."

Mr. Mitchell's honest admission that the demand for a closed shop may result in "a very real compulsion" carries us at once to the heart of the objections that can be urged against it. By this policy a combination of workmen undertakes to determine for all concerned in an entire trade the conditions under which employment must be offered and accepted. This mere statement of the case is sufficient to establish the difference between an individual's refusal to work and that of a combination. The trade-union undertakes to do a thing which no sane individual could expect to accomplish by his unaided effort, and the purpose of its demand is something that changes the whole character of the act.

The first objection that may be brought against such a policy is that a trade-union which attempts to exclude all out-

siders from a craft or industry is seeking to establish a monopoly, and that a combination formed for such a purpose is both legally and economically indefensible. To this charge Mr. Mitchell and others have replied that the union is not a monopoly so long as it opens its doors to all persons who are desirous of entering its trade. Mr. Mitchell, indeed, frankly admits that if "a union is working not for the interest of all the men at the trade, but of the members who at that time are actually in the union, if it is unduly restrictive, prohibiting apprentices, charging exorbitant initiation fees, and excluding capable applicants for membership, then its refusal to work with non-unionists is monopolistic." Such a case is probably too clear to permit of serious dispute. The Report of the Industrial Commission makes the same qualification that Mr. Mitchell admits at this point.

It may be contended, however, that the policy of an exclusive and restrictive union in enforcing a closed shop does not differ from the regulations enforced by some of the trusts which refuse to sell their goods, or refuse to sell upon equitable terms, to merchants who buy from any possible competitor. In the factor's agreement these monopolistic tactics have been reduced to a fine art, without enlisting any apparent opposition from many of the people who declaim against the closed shop. That this comparison is well founded does not admit of a reasonable doubt. To refuse to sell sugar or tobacco to a dealer who will not agree to buy from no other source is precisely like the refusal of laborers to work for a person who will not buy all his labor from the trade-union. To refuse to sell upon equitable terms may be a refinement of the process, but it alters in no way the purpose or the effect of the policy. Professor Clark is right, beyond a peradventure, when he contends that such a contract should be taken as conclusive evidence of the existence of monopolistic power and monopolistic intent. Yet the recognition of this fact does not oblige us to approve of the closed shop: it is equally logical to condemn such tactics on the part of either trade-union or trust, and it is to be hoped that the final view of our courts will recognize the similarity and the obnoxious character of both of these policies.

But what shall be said of the trade-union that is not exclusive in the matter of admitting all competent persons who may desire to enter its industry or craft? In order to avoid

an argument about the proper definition of the word, it may be well to refrain from calling such a union as Mr. Mitchell leads a monopoly, and to describe the purpose and effect of the closed shop in other terms. The President of the United Mineworkers admits that the effect of this demand, when it is made by a strong union, is to exert "a very real compulsion" upon both employers and non-union men; and he is too candid to deny that this is one of the purposes that the organization has in view. Leaving the employer out of the reckoning, for the purpose of our argument, it is obvious that this compulsion affects the non-union man in a matter wherein his freedom of action is legally and, it is probable, economically a matter of as much concern to society as the freedom of the unionist to combine for proper purposes. Unless we are prepared to relegate all the laborers in a trade-union to a condition or status determined by a combination or association known as a trade-union, and to deny the advisability of permitting a worker to choose freely between an individual or a collective contract, we must insist that the compulsory unionization of industry is economically indefensible. Even if the union is not called a monopoly, it is evident that the demand for a union shop leads to the introduction of compulsion into a situation in which it is generally believed that freedom is beneficial.

The trade-unionist, however, will usually deny that freedom to make an individual contract with an employer is advantageous to the laborer. He will contend that the time has come when freedom of individual contract results in the systematic exploitation of the workers, so that the welfare of the laboring classes and of society demands that collective bargaining shall be universally established, by persuasion if possible, by compulsion when necessary. It is argued, furthermore, that since the maintenance of tolerable conditions of employment depends upon the efforts and sacrifices of the trade-unionists, it is only just that the outsiders should be compelled to contribute to the support of the organization. Sometimes, indeed, assuming the attributes of political sovereignty, the unions denounce as "traitors" the recalcitrants who refuse to be gathered into the fold. Thus it appears that the philosophy of the closed shop is based upon the belief that the welfare of the laboring classes is bound up with the device of collective bargaining, that the success of this expedient depends upon its universal application, and that no individual workman can be

conceded rights that are inconsistent with the welfare of his class. This, and nothing else, is the meaning of the closed shop.

It must be evident that if the theories of the trade-unionist are correct in this matter, we shall have to revolutionize our present views of economic policy and individual rights. Without, however, considering whether such a change is desirable or possible, it may be demonstrated that, even if the unionist is so far right, it does not follow that it is lawful or expedient for private combinations of laborers to undertake the compulsory organization of industry. Such compulsion is probably illegal in the present state of our law, and should proceed, in any case, from the government, and not from private associations of any character whatever.

For, in the first place, it is practically certain that a domineering and monopolistic spirit will manifest itself ultimately in any private organization that acquires such far-reaching and important powers. This is the inevitable result of human infirmities from which laborers are no more exempt than capitalists. The mere love of power, for one thing, is likely to lead to arbitrary and unwarranted acts of self-aggrandizement; while the still stronger motive of monopoly—hunger—is always present, even if for the moment it may seem to slumber. We have had with us, to be sure, in recent years a considerable number of apologists for monopoly; but their arguments have not yet convinced many people that it is for the public interest to vest uncontrolled monopolistic powers in private hands. Without attempting to compare the possible evils of a monopoly of labor with those resulting from combinations of capital, we may safely conclude that it would be highly dangerous to allow a permanent and all-inclusive organization of laborers to control such matters as admission to a trade, the introduction of improved machinery, and the rate of wages. As a matter of fact it is highly desirable that a trade-union should always be kept upon its good behavior by the knowledge that an unreasonable or selfish policy will drive both employers and the public to seek relief by appealing to the non-union man. Not a few sincere friends of labor organizations are now hoping that the unions may be delivered from the consequences sure to follow the general establishment of the closed shop.

In the next place, even if the fear of monopoly be ill founded, it is reasonably clear that a trade-union is a most

undesirable agent to employ in enforcing the compulsory organization of labor. To say nothing of other matters, such as the loss occasioned by strikes, it is certain that when the union goes forth to battle for the closed shop it can hardly avoid arousing some of the worst passions of human nature, even though its leaders studiously avoid all appeals to hatred or violence. When a body of men is told that a "scab" has no right to employment, that he is an enemy of the laboring class, and must be compelled to change his ways, the union is playing with edged tools that cannot be handled with safety in the excitement of a strike. From this source arise most of the serious evils that do so much to discredit the labor movement in the minds of law-abiding men and to furnish ammunition to its enemies. If the desirability of compulsory membership is ever to be considered, the question should be decided in another forum, where the passions aroused by the strike will give place to the amenities of orderly political discussion. The plight in which several of our largest cities have recently found themselves should be sufficient proof of this contention.

This brings us to a final, and most important consideration. A little reflection should convince any one that the conditions under which a man shall dispose of his labor are of such exceeding importance to society that, if freedom is to be denied, the restrictions imposed should be determined by the government and not by any other agency. Such regulations should be just, uniform, and certain; they should not be subject to the possible caprice, selfishness, or special exigencies of a labor organization. Here, as elsewhere, we should apply the principle that, when it is necessary to restrict the freedom of labor or capital to enter any industry, the matter becomes the subject of public concern and public regulation. If membership in a labor organization is to be a condition precedent to the right of securing employment, it will be necessary for the government to control the constitution, policy, and management of such associations so far as may be requisite for the purpose in view. Only upon these terms would the compulsory unionization of industry be conceivable. Of course, before such legislation could be enacted, a change in the organic law of the states and the nation would need to be effected, for we now have numerous constitutional guarantees of the right of property in labor. These guarantees include the right to make lawful contracts, and the individual freedom so ordained can be

restricted by the legislature only when the restraint can be justified as a proper exercise of the police power. Time and effort might be required for securing such constitutional amendments; but our instruments of government provide a lawful and reasonable method of accomplishing this result.

The object of this article has been so much to consider the merits or demerits of the closed shop as to explain its purpose and logical consequences. It should be tolerably evident that this demand of the trade-unions would lead to revolution in our law and our economic policy; whether the prospect of a compulsory regimentation of labor is sufficiently attractive to make such a change desirable is a question into which we shall not now enter. The socialist, of course, would welcome this, or any other, limitation of the rights of the individual. He who wishes to form an opinion upon the subject would do well to study the history of the mediaeval guilds, and to examine particularly the influence of these institutions upon individual opportunity and economic progress. This might not enable one to reach definite conclusions concerning the proposal to organize modern labor upon the mediaeval basis, but it would at least furnish a point of departure. It would be worth while, also, to inquire to what extent the guilds were able, even with the sanction of the law, to maintain their monopoly of industrial opportunity, and what methods were employed in dealing with interlopers. Finally, it would be necessary to consider whether modern conditions require mobility or fixity of economic relationships, and whether compulsory organization of labor would meet the demands of the present age. After these things had been determined it would be time enough to speculate about matters concerning which we cannot learn much from present or past experience. Meanwhile, no matter what the ultimate conclusion may have to be, something will be gained if we realize the far-reaching consequences of a decision to pronounce a sentence of economic outlawry upon the non-union man.

### OPEN SHOP<sup>1</sup>

The arguments in favor of the open shop are based upon the necessity of preserving the freedom of individual contracts.

*Right of Individual Contract*—In a recent decision of the

<sup>1</sup> Bliss, William D. P. *New Encyclopedia of Social Reform*. p. 853.

Superior Court of Cook County, Illinois, it was held that agreements for the closed shop "would, if executed, tend to create a monopoly in favor of the members of the different unions, to the exclusion of workmen not members of such unions, and are, in this respect, unlawful."

The law of morality and the law of man forbid any citizen, whether he be laborer or capitalist, to enforce his demands by the oppression of others, by a denial to any man of his right to work, for whom he will, and for what he will, of his right to hire any man for what that man is willing to accept.

The freedom of action is legally and, it is probable, economically a matter of as much concern to society as the freedom of the unionist to combine for proper purposes.

Unless we are prepared to relegate all the laborers in a trade to a condition or status determined by a combination or association known as a trade-union, and to deny the advisability of permitting a worker to choose freely between an individual or a collective contract, we must insist that the compulsory unionization of industry is economically indefensible.

The conditions under which a man shall dispose of his labor are of such exceeding importance to society that, if freedom is to be denied, the restrictions imposed should be determined by the government and not by any other agency. Such regulations should be just, uniform, and certain; they should not be subject to the possible caprice, selfishness, or special exigencies of a labor organization. When it is necessary to restrict the freedom of labor or capital to enter any industry, the matter becomes the subject of public concern and public regulation. If membership in a labor organization is to be a condition precedent to the right of securing employment, it will be necessary for the government to control the constitution, policy, and management of such associations so far as may be requisite for the purpose in view.

Trade-unions have no right to usurp the sovereignty of the State and to destroy that individual freedom which is the cardinal principle of American life, whether it be religious, political, or industrial.

If unions are to render permanent service to the laborers, they must be voluntary organizations. If any device can be invented by employers of laborers by which laborers can be coerced into joining or kept from joining labor-unions, then these organizations no longer represent either the best thought

or the best interests of the laborers. They must necessarily soon degenerate into mere dictatorial groups. There is no principle of ethics, economics, or equity that will make the coercion of laborers by laborers any better than the coercion of laborers by capitalists.

Men who, as victims of trade-union despotism, are forced into the union, would prove elements of weakness and prepare the way for disintegration.

*Danger of Trade-Union Power.*—An important argument against acceding to the demands of trade-unionists for the closed shop is the danger involved in granting too much power to the labor organizations.

It is contended that it would be highly dangerous to allow a permanent and all-inclusive organization of laborers to control such matters as admission to a trade, the introduction of improved machinery, and the rate of wages; that it is highly desirable that a trade-union should always be kept upon its good behavior by the knowledge that an unreasonable or selfish policy will drive both employers and the public to seek relief by appealing to the non-union man.

*Injury to Business.*—It is claimed that the open shop is necessary in order to preserve the liberty and protect the rights of employers. The closed shop means that none but union men shall be employed; that the foreman shall be acceptable to the union and, therefore, presumably a member of it; that the rules of the work shop shall be made by the unions; and it is claimed that all this practically takes the management of the business out of the hands of the employers and places it with those who lack business responsibility. The men who have put their capital into the business can no longer control their own property, but are practically compelled to turn it over to the management of an organization which deems its own interests in conflict with those of the capitalists.

The closed shop would, it is claimed, be injurious to business and thus disastrous to the general welfare of society:

By imposing on a shop where there is no dissatisfaction, the liability of a sympathetic strike or of a strike growing out of a quarrel with some other union;

By taking the management out of the hands of the employers who have the greatest stake in the business, and thus inviting failure;

By destroying all competition between good and poor work-



men, and thus lowering the standard of skill and resulting in an inferior product;

By destroying all competition between union and non-union men and enabling the unions to force wages up to a point which the business could not stand; and, with a higher price for a poorer product, a closed shop could not compete with establishments not so handicapped.

### WHAT THE OPEN SHOP DOES <sup>1</sup>

Los Angeles is now the first city on the Pacific Coast, not only in population, but in the number of industries and the value of its industrial products. The Federal census of 1920 shows it to be the tenth city of America both in population and industry. How has this come to pass?

Los Angeles has achieved with justice the repute of being the freest city in the freest land under the sun. It is not a community "where wealth accumulates and men decay." It is the city of opportunity, where the right to work is as indisputable as the right to leisure. He who seeks employment is not asked, "Are you in good standing with your union? Have you been suspended or expelled in some other industrial community for breaking union rules?" but "What have you done, and what can you do?"

Industrial Los Angeles is builded on principle, a principle as old as civilization itself; it is the right of every individual to work where he pleases, at any occupation he elects, and for which he can qualify, and at wages which are mutually acceptable to him and his employer. Here he is guaranteed the right to labor, the right to possess and the right of the uninterrupted enjoyment of the fruits of his toil.

For a generation Los Angeles has been educating her youth to the open-shop point of view, so that now it is as characteristic and ingrained in the Los Angeles business man as is the closed shop viewpoint of a San Franciscan. Each city has molded itself according to its belief and each city draws its own kind. Free labor and labor that would be free gravitates to Los Angeles from every corner of America. Union labor and those that stand for it as naturally seek San Francisco.

<sup>1</sup> Editorial, *Los Angeles Times*, August 24, 1920.

Here there is no bitter conflict between capital and labor. Most shops are operated under the wage system. It is the system that has banished from industry human slavery, the only one that guarantees the independence of the individual and makes community life tolerable for all its members.

There are also what are termed "closed shop" industries where only persons paying dues to a specified union and obeying its rules and regulations can secure employment. No man who has been suspended from a branch of the union, in any community, for any cause, can be employed, irrespective of his ability, his need of employment and the need of workmen. In the closed shops each workman is told by a business agent of the union what hours he may labor, what wages he must demand and when he shall go out on strike. The employer, like the workman, is at the mercy of the walking delegate. The workman ceases to be a free agent, the industry is no longer free; human servitude has been reintroduced under a new disguise.

The spirit of industrial freedom which animates Los Angeles makes such servitude intolerable; and there are fewer closed shops here than in any other community of equal size in the country. Yet this is entirely a matter of personal choice. Any employer or group of employers can operate a closed shop. The open shop industries do not retaliate by refusing employment to men carrying union cards. There is no opposition to workmen associating together in any organization that is not a menace to free government and the public welfare. Freedom of choice, however, is reserved alike to employer and employee.

Employment in Los Angeles is not dependent upon membership or non-membership in any labor union; it depends upon the initiative, the ability and the industry of the individual; and the wages are regulated by the natural law of supply and demand.

Such are the conditions under which Los Angeles has grown to be one of the great industrial cities of America; under which it has outstripped twenty other American cities in ten years. That they are satisfactory to labor is demonstrated by the thousands of expert workmen coming here yearly from communities where industrial freedom is comparatively unknown. A new generation of workmen is growing here that has never known the thralldom of the labor unions; but the great majority of

those engaged in the three thousand odd industries of Los Angeles have been at one time members of labor unions. Some of them still retain their membership; but most have found it profitable to assert their independence and initiative and to devote the money that once went in dues to the union to paying for a bungalow home.

As soon as it became known that there were competent workmen in Los Angeles to operate independent industries capital quickly followed. Government statistics show that the average wage paid in Los Angeles industrial establishments during the last ten years has been above the average of that in other sections of the country. And the working conditions have kept the stream of expert labor flowing to Los Angeles at a flood tide. Simultaneously the fame of Los Angeles as the leading open-shop city of America has attracted employers and industrial plants of the first importance. As the number of workers has grown so has the volume of work for them to do.

If Los Angeles is to retain the advantage which it has so hardly bought during the last thirty years it must not alone jealously guard the open-shop principle—it must continue to demonstrate by results that the open-shop principle is the best for employer and employee alike. The city regularly pays a little better than the union scale, the opportunities for advancement are better, living conditions are more desirable. Our phenomenal industrial growth is the natural corollary and so long as the causes are maintained the results will continue to come with the infallibility of a mathematical formula.

### THE CLOSED OR OPEN SHOP<sup>1</sup>

In an address before a gathering of manufacturers, professional men and general business men at the Hotel Green, Danbury, Conn., Oct. 1, Walter Drew of New York City, counsel for the National Erectors' Association, made a strong argument for the open shop. He based the consideration of the subject at this time on the fact that the present world crisis has brought general recognition of the fundamental importance of industrial questions, on which the fate of nations is now seen to rest.

<sup>1</sup> The Iron Age. 100:916. October 11, 1917.

"Since industry under the present form of capitalistic control has been in the hand of the employer, he must share responsibility for whatever conditions arise. Upon him, also, rests the chief responsibility of finding a solution. That solution will not come if he acts selfishly. He must seek the common good. He must labor to establish industry upon a sane, wholesome and just foundation, and he must co-operate with those who are working to these ends. He must consider himself, not as merely engaged in business for individual profit, but as a trustee for the beneficial use of the forces of production that he controls.

"This viewpoint of the employer's duty must be the basis of his co-operation with other employers. No association of employers will endure or deserve to endure which is founded upon any other basis. The making of large profits for the employer can no longer be considered the sole test of business success. Industry has not performed its functions unless it brings betterment of conditions and increased comforts to the worker as well as the owner and unless its product is made available to the general public at prices as low as possible through efficiency and unrestricted production. This broad view by the employer as a working principle in his own business and in his association with other employers is not altruism but is being found to be a sound, constructive business philosophy."

To-day, Mr. Drew said, the foremost labor question in this country is that of the closed shop, or a shop where only union men are employed and where non-union men are excluded. A nation-wide effort to extend the closed shop in our industries, taking advantage of our war-time necessities, is being made. Every community and every industry faces this issue. Mr. Drew then proceeded dispassionately and with a complete avoidance of harsh criticism to discuss the closed-shop problem from the standpoint of the union man, showing by logical steps how finally the immense power of the closed shop union and its members over industry is exercised without penalty or responsibility in case of mistake, abuse or bad faith. This condition, he said, is unique and is not found in any other department of the business world.

"The weaknesses of the closed shop, its failure as an industrial institution, are due not so much to bad faith, or vicious conduct, or any unworthy motive on the part of the union

man, as to his limited and short-sighted viewpoint, his lack of understanding of economic principles and forces, his tendency to seek the apparent and immediate benefit, and his failure to understand and to seek the ultimate good. And in all this he is human, and his counterpart in varying degree is found among all of us.

"If a grocer mismanage his business through ignorance or shortsightedness, he fails and another grocer takes his place. So it is with the business man generally. Each pays the penalty for his lack of ability, and his failure, while it may affect others, still does not amount to a general catastrophe. If all the manufacturers of a given industry, however, should act together on lines that were ill-conceived and fundamentally unsound, then disaster to the whole industry would follow. These same things are ever more true of the worker. If all the workers of an industry, or a community, or a nation share erroneous ideas which form the basis of their philosophy and which they are able to carry out into actual and general practice, the degree of the injury to the industry, the community, or the nation will be measured by the degree and extent of the error. Since productive industry rests upon labor, there will be no alleviating influences; the error will work its full damage and whatever disaster follows will be general."

After discussing the well-known methods practised by closed-shop workers to decrease output, to compel the employment of more men to do a given piece of work and generally to make labor scarce, Mr. Drew gave some chapters of British industrial history, showing how the progressive control of practically all industry in Great Britain by closed-shop unions had reduced that country at the outbreak of the present war to such a state of general inefficiency as to be totally unable to meet the exigencies of the situation. He showed how the problem of increasing industrial efficiency was met and solved by the setting aside of hard and fast union rules and now, he said, "most significant to us in facing our present problems, we find the principles of the open shop agreed to and put into operation as the only way of bringing British industry to a state of efficiency where it can meet the national crisis." He added:

"We find England with hundreds of thousands of women and non-union men working side by side with union men, with

old restrictive rules laid aside, or at least modified, with new methods, new machinery and new spirit, performing industrial miracles, although England still faces the serious problems of peace readjustments over which hangs the shadow of the national solidarity of skilled labor. If England found the open shop a national necessity in the time of her greatest crisis, shall we, in our time of need, extend in our industries the system which brought her to the edge of ruin?"

It may be said, continued Mr. Drew, that we do not have in this country the restriction of output practised in Great Britain. The explanation is simple. The great bulk of our industries are open shop. In a recent official report as to the conditions in our industries, made to the Secretary of War, it was pointed out that practically 90 per cent of the establishments that would be called upon in the work of war preparation were open shops. Our national industrial efficiency, our prosperity, our expanding foreign trade and commerce, the high wages of our workmen, doubling and even trebling those of any other nation—all find their foundation in open-shop industry. He concluded his address with a narration of closed-shop experience in this country and its inevitable handicapping of industry, urging the unions to use their power and influence, not to decrease the supply of labor but rather to increase the demand for it.

## THE CLOSED SHOP IS OPPOSED TO HUMAN DEVELOPMENT<sup>1</sup>

Recent developments in the strike situation, so far as it affects the entire question of the port of New York, show very plainly that the whole controversy, in fact the real issue, is that of the open or closed shop. The old controversies concerning hours of work, wages, collective bargaining, relations between employers and the unions, are subordinated to the most fundamental fact of all—that of the absolute irresponsible dictatorship of a few men (usually of foreign birth), who desire to run labor in this country on the basis of the class struggle of Continental Europe. With the closed shop, they can dictate con-

<sup>1</sup> Open Shop Review. 17:292-4. July, 1920.

ditions absolutely, and not from the standpoint of the good of the public in general, but from that of their own selfish desires and interests. They forget that the whole basis of American democracy is that of absolute denial of class interests, and the subordination of each to the good of all. Their own view would seem to be, that provided labor and capital, employer and employe, are in two mutually hostile groups, the go-betweens can dominate. Their labor leaders and other walking delegates then can act as these go-betweens, and to their own power and profit.

Not only is their own attitude un-American, but so also is the closed shop. In addition, this same principle of the closed shop is essentially undemocratic and opposed to the whole course of human development. It takes very little acquaintance with recorded human history to realize that the progress of the world always has been conditioned upon the overthrow of the principle of the closed shop in each and every walk of life. Ancient history is the story of the racial closed shop and the struggle of mankind to overthrow it. The Middle Ages witnessed the same struggle, but under two more special forms. First of all, there was the feudal system, with its restraints based upon land holding and nobility of blood. It was a closed shop in every sense, and when the merchant guilds began to break through the barriers they fell into the same position. Their attempt to establish the closed shop as regarded their own interests broke upon the rock of human differences in mind, ability and endeavor, and they went to the wall. Also the same thing appeared in religion, and the doctrine of exclusive salvation brought on the religious wars and persecutions that lasted for centuries. This doctrine was not peculiar to any one church or creed, but was universally accepted until comparatively recent times. Religious toleration and freedom, the great contribution of our early American history, forever, we believe, broke the power of the closed shop in religion. The closed shop of feudalism first was broken in Great Britain and the American colonies, then in France, and the last five years have seen the final blows that probably will eliminate it throughout the civilized world.

During the past two centuries we have seen the consummation of the victory over the closed shop in government. The history of England, from Magna Charta to the Parliamentary Reform bill of 1911 and the legislation of the last two years, have been the story of the overthrow of the closed shop in

politics. Our own American experience has been the same. Few people stop to realize that Hamilton believed in government for the people; later Jefferson extended it to government of the people; but it only became government by the people in the days of Andrew Jackson, when manhood suffrage first became general throughout the Union. That is to say, we enunciated the ideal principles of equality before the law and in all fields of opportunity, but could only gradually realize it after further years of a struggle which is not yet entirely complete today. Progress never comes easily and by revolution, which at best merely clears the ground. It comes only as a result of hard, gruelling work and as the fruit of a process of education and evolution.

Just in proportion as the principle of the closed shop has prevailed in any and every line of human endeavor, just in the same proportion has there been decay, stagnation and final destruction. If the labor leaders succeed in forcing this principle in the harbor of New York they will attempt the same thing elsewhere. It leads directly to the "dictatorship of the proletariat," and dictatorship never meant democracy. It is time that the people of the country at large as well as those of New York should understand clearly just what is involved in the present struggle.

It is not one of hostility to the unions or the right of the men to organize. It is the question of the independence, social and economic, of the laboring man himself and, in fact, of every individual in this nation at large. Neither capital nor labor, employer or employe, has the right to dictate to the mass of the people of the United States. It is necessary to break the power of any special class or interests, and thus we are probably at as critical a point of development as ever has been met and passed in our history.

Also it should be noted that the person who will suffer above all others if the labor leaders win is the individual laboring man himself. He may seem to profit for a while, but once recognize the principle of the closed shop in any one field or walk of life and it will inevitably come in all. What is sauce for the goose is sauce for the gander. In proportion as this principle grows and is successful will this country become undemocratic, unfair in law and society and un-American. Injustice is a two-edged sword which always destroys him who wields it.



## THE CLOSED SHOP—THE UN-AMERICAN PLAN<sup>1</sup>

The closed shop requires labor to bargain collectively through agents of their own choice, but denies the right to bargain any other way.

The closed shop policy arrogates the power, and not the right to bargain collectively, and instead of bargaining, attempts to dictate the terms to employers, with threatened strikes exercised as a power of coercion.

Under the closed shop policy the leaders of the unions undertake to speak for all labor in their respective classes, and attempt to restrict all labor performed to union members.

Under the closed shop policy all workmen not members of a union would be deprived of employment, if the union leaders could accomplish their purpose.

Under the closed shop policy consistent and successful efforts are made to decrease the output of labor and increase the cost of production without a compensating return accruing to the workmen, thus increasing the high cost of living.

Under the closed shop and restricted output of labor the cost of building material and construction has been doubled, and high rents have been made possible and perhaps necessary for all time to come.

Under the closed shop policy and decreased production of labor, higher wages have been enforced in the trades, the mills and factories, and many men are leaving the farm, with the inevitable consequence of under-production of farm products and foodstuffs. Result: increased cost of living.

Under the closed shop and restricted production, farmers are forced to pay more for machinery, farm implements, supplies and labor. Under-production of farm products and foodstuffs must follow or prices be advanced—or both.

## FREE SHOPS FOR FREE MEN<sup>2</sup>

The recent rapid increase of membership in labor unions has brought to the front the demand for a "union shop,"

<sup>1</sup> New Sky Line. 1:3. March 6, 1920.

<sup>2</sup> William H. Pfahler. American Economic Association. Proceedings. 4:182-9. 1903.

which is being forced upon the employer whenever and wherever he is too weak to resist it. The manufacturer or employer of labor who resists this demand is said to have an "open shop"; and it is well to consider this feature of the struggle between employer and employee, with regard to the conditions created, but without sentiment or sympathy for either side. An "open shop" is a term quite common among employers, but it would have no significance were it not for this demand of the labor union to close the shop to all but union men and to prevent the employer from hiring *free men* who prefer to control the sale of their own labor according to its value, rather than at a price fixed by a body of men whose purpose is to create a standard of wages based upon the ability of the incompetent workman, or more frequently upon the emergency existing at the time such wages are fixed. The union claims that the efficient or skilled workman will always receive more than the standard wage: and while this may be true so long as there is one more workman in any craft than is required, when the condition changes so that there is a surplus of men, the incompetent is discharged, the wage of the skilled man is reduced to the standard which was fixed on a false basis, and often even lower than that, while the place of the incompetent workman is supplanted by machinery.

It is for this economic reason that a very large number of the best mechanics refuse to join the union, preferring to *remain free men until forced by* "persuasion," which is the only means allowed by the laws of the union, but which may be physical if moral will not answer the purpose. The last resort of the union in this direction is to demand a union shop, so that the employer, by refusing employment to a free man, or by discharging such a man if he continue to refuse to join the union, shall assist them in their persuasive purposes.

It is this action on the part of the union that compels the employer who prefers, in the purchase of labor, to make no distinction as to his employees other than such as follow natural laws to contend for an "open shop," often at great cost and severe loss to himself, and to maintain that condition, regardless of the union demand. That he is right in doing so cannot be questioned; it is the true American condition that every man shall be free to seek employment wherever and under whatsoever conditions he may prefer, without regard to

his politics, his religion, or his affiliation with organizations based on principles which he cannot endure.

The opposition to the labor union to-day is not the objection to organized labor, but the objection to the methods employed by unions to force conditions and create ideals conceived frequently without due knowledge of existing facts, and especially objection to the secrecy in which all their plans are made and executed. The opposition of the employer to labor unions does not arise from any desire to prevent the accomplishment of their efforts towards the improvement of the condition of the workingman; the intelligent employer knows full well that the highest efficiency can be attained only by such improved conditions. He does object, however, to the attempt of the union to sustain in secret, by approval and applause, unlawful acts on the part of its individual members, even though these acts are in public denounced and claimed to be contrary to the laws of the union.

I have yet to find a rule of any union which provides for the punishment or expulsion of a member because of any criminal act that he may commit, even though convicted before a jury, if such act has been exercised against an employer who has refused to grant the demands formulated by the union in secret conclave. On the other hand I do know of cases where the union, out of funds contributed by the membership, has paid fines of large amounts inflicted upon its members by courts before whom they have been convicted for crime committed against the employer or against some *free man* who refused to remain idle at their dictation.

Another mistake of labor unions is that they endeavor to think and work along one line only—that is, to define and demand the rights, as they conceive them, of the workingman, but never attempt to define his duties; to define and demand the pay of the working-man, but never to define the equivalent in labor he shall furnish for such pay. This is the fact to such a great extent that the employer can very easily see in the action of the union the embodiment of the sentiment and the so-called principle which cause it to say, or at least to imply by its actions, that the employer has no right which the union is bound to respect.

I have outlined these conditions of the labor unions as they exist and are presented to the employer that I may more clearly give you his reason for opposing the union shop and

refusing to become a party to the attempt to create such conditions, while at the same time he may be in favor of organized labor and not only ready but anxious to confer at all times with its representatives upon any subject which is within its jurisdiction and the consideration of which will result in mutual benefit to employer and employee.

The difference between a union shop and an open shop can be clearly defined as a difference in management. In the union shop the union, without invitation, with no endorsement as to its qualifications, for no ostensible reason except to exercise accidental power, attempts to limit the owner or employer in the exercise of his rights and judgment as to the proper use of that which is his and to put the workingman under the dictation of a walking delegate or shop committee. The open shop, on the contrary, is free to all, to the union man as well as to the non-union man, and places no restrictions on the employee which he is bound to accept.

In no case with which I am familiar has the demand for a union shop been accompanied by a proposition for benefit to the employer, except perhaps that he may, by conceding to the demand, hope to avoid the persecution of the local union to which his men belong. On the other hand the change from an open shop to a union shop gives the union entire control. And if the members in secret conclave decide, because of a hot-headed leader, to enforce a rule in the shop which is unwise, unfair and detrimental to the interests of the employer, the ultimatum is a strike, the closing of the shop, and loss in time, money, and often property. Is there any wonder that the employer elects to have the strike which preserves his liberty, rather than that which must be made to restore his liberty?

The demand for the union shop presents to the employer the following dangers which are incorporated in the written or unwritten laws of almost every labor union: (1) The surrender of the privilege of selecting his employees to a committee who recognize no standard of efficiency but membership in the union. "No card, no work" is the rule. (2) The necessity of discharging old and faithful employees who claim to be free men and who refuse to join the union. (3) The discharge of the foreman or the superintendent who, in the performance of his duties, may have offended the walking delegate or shop committee. (4) The limitation of apprentices to

a ratio established by the union in many cases fifty years or more ago and retained in force regardless of any change in conditions or requirements. (5) The opposition to the introduction of labor-saving machines, designed in most cases to relieve the skilled man from the strain of labor and to increase his efficiency with reduced energies, as well as to increase production in ratio to the wants of an increased population and to reduce the cost to the consumer. (6) The limitation of the earning capacity of the industrious and ambitious workingman to the standard of the lazy and incompetent. (7) The obstruction to every plan of premiums or promotion which may encourage a workingman to increase his skill and better his condition. (8) The limitation of output by every means in the power of the union, on the principle that if every man will do less there will be more for every other man to do.

I am sure that the leaders in labor movements will promptly deny that the union stands for anything that I have enumerated; and I am willing to admit that some of them, with whom I have had negotiations are opposed to every unlawful or unwise action of the union over which they preside, and have denounced such acts as freely as I do; but they can not, or will not, exercise the power to prevent them, because under the unwritten laws they are considered fair and right. A noted economist has well said, "without impugning motives of leaders or factors who have brought them about, it is widely felt that the mere existence of vast consolidations, whether of men, money or power, has in it the possibility of mischievous, if not disastrous results, and the impulse to restrain them by law is undoubtedly growing and will ere long bear fruit."

One of the greatest mistakes of labor unions, as shown in the demand for a union shop, is the belief that the present rapid increase in numbers is an endorsement of the principles and acts of the union; but in this I am sure that the leaders are mistaken, because in times like the present the idea of consolidation or co-operation to secure any purpose is rampant, and men flock to any standard, whether right or wrong, if it suggests a change and promises future benefit in loud tones, just as millions of voters a few years ago followed the lead of a man who would have wrecked the entire financial condition of the country, followed him because he went thundering

through the land telling the workingmen that free silver was the change they needed to improve their condition. The real hard fact as seen daily by the employer is that the numerical strength of most unions is in ratio to the force employed in recruiting, rather than to free will on the part of those who join. Thousands of good honest workmen join the union to purchase at a small cost freedom from insults—to protect their families from ostracism and themselves from bodily injury. In addition to this, many more thousands are driven into the union by the unwise actions of employers who deny the right of labor to organize for its own benefit and who refuse to confer with employees or their representatives upon such questions as may be of benefit or mutual interest. The very best recruiting agent for labor unions to-day is the proud, defiant egotistic employer or accidental corporation manager who shouts continually, "I have nothing to arbitrate."

I make these statements from an employer's standpoint, based upon practical observation; and if I am wrong in any particular, it is because of the secrecy with which unions are conducted. Until that secrecy is removed they must be content to be measured by the things they do, and not by what they profess to do. I make these statements, not as the enemy of organized labor, but as its warmest supporter. I also advocate organization of employers, and gladly see such organizations springing into existence. The earliest associations of manufacturers were formed for "defense against the unjust demands of labor unions." To-day the object is to promote just and equitable dealings between employer and employees.

When these great organizations of employers on one side and employees on the other meet to contest their supposed rights or carefully formed demands, they will be compelled to recognize that greater organization, the American public, which is determined that contests of this nature shall be settled with deference to its rights, and that future attempts to stop the wheels of progress shall meet the fate they deserve.

I favor organization. Having been closely in touch with progress along these lines, I feel sure that the day is near at hand when labor leaders who stand for justice and equity between employer and employee will have the honest support of all employers. The result will be a union shop for which no demand need be made, a union shop which means union be-

## SELECTED ARTICLES

... ten capital and labor, which means harmony and profit for both; but more than that, a unity which by its combined co-operation will conquer for this country the markets of the world.

## BRIEF EXCERPTS

A full year without a strike is a pretty good record for the open shop in Little Rock building trades. No community in the United States operating under the closed shop can show a better record, and few as good.—*New Sky Line* 1:2 Jan. 28, 1921.

Employment managers feel that the closed shop tends to negative scientific methods of employment management. The unions maintain preferential lists from which an employer virtually must make replacements when vacancies occur. Thus, the employer is without freedom of choice in selecting his employees.—*Industrial Digest*. 1:3. July 24, 1920.

The end of 1920 came without a reduction in the wage scale in the building trades in Little Rock, and yet under open shop conditions the number of hours of labor required to erect buildings of state specifications was materially reduced, to the end that building costs were lessened and money saved to the builders under the open shop plan.—*New Sky Line* 1:2 Jan. 28, 1921.

The closed shop is, so far as the employer is concerned, industrial slavery, and the managers of the union are slave-drivers. If a man is forcibly obliged to employ only those persons who are selected for him by an organization of which he is not a member and over which he has no control, he is to that extent the slave of that organization.—*Everett P. Wheeler. Survey*. 27:1650. January 27, 1912.

Reports made by the National Founders Association indicate a marked decrease in the number of strikes in the foundries of the United States, and a noteworthy increase in the plants operating on the open shop basis. A year ago, 46 foundries had to combat strikes, and during the past year the Association assisted

in contesting 28 strikes. Of the total of 74 shops involved, 54 now are working on an open shop basis, while in the other 20, strikes are gradually wearing out.—*Industrial Digest*. 1:1. December 4, 1920.

Has Henry Ford's open shop policy ground and crushed labor? Has the open shop automobile industry made slaves of its employes? Is Detroit the home of the helpless and the down-trodden? Is Indianapolis, the open shop city, the home of hungry, ragged and cowed workingmen? Are the employes of the Buffalo *Commercial* and the Los Angeles *Times* underpaid serfs? Are the members of the British open shop unions mere slaves of capitalists?—*Daily Commercial News* (San Francisco). December 21, 1920.

The recent exposé in New York City of an alliance for graft between certain union leaders and building contractors strongly emphasizes the undoubted menace of the closed shop to legitimate industrial development. The calling of strikes for the purpose of extortion, and the banding together of unscrupulous union leaders and employers in efforts to eliminate free and honest competition are evils impossible under the open shop plan of employment.—*Industry* 2:1. November 1, 1920.

Under the rules of the unions, the worker is given a day's stint. This is placed so low as to be reached by the worker of less than ordinary skill. But there also seems to be a limit upon the maximum amount of labor that the worker shall perform in a day. This is so low that the skilled worker would be able easily to excel it if he so desired. The claim that it exists is based upon comparison of output in recent years compared with that of prior years.

Any restriction of the individual output of the worker discourages attempts to acquire skill beyond the point at which the limit is placed. This degree of skill attained, degeneration sets in. The worker, sure of attaining the limit, becomes careless. His work grows faulty, and therefore more costly, as it is always more costly to remedy poor work than it would have been to do it right in the beginning.—*Editorial*. Rochester, N.Y. *Post-Express*. November 20, 1920.



The closed union shop seems to us to be inconsistent with the principles of the American constitution, because it permits a condition where an employee who does not belong to a union has no hope of finding employment. In fact, if closed union shops become universal, it is conceivable that a skilled workman capable and willing to work might become a public charge because of the refusal to admit him to the union. Similar conditions would prevail in the closed non-union shop for the employee who belonged to a union. From the standpoint of the public interests, we believe that neither a closed union shop nor a closed non-union shop should be permitted even when the employees and the employer of the establishments agree to it.—*Cleveland Chamber of Commerce. Industry* 2:11. October 1, 1920.

The union must not undertake to assume, or to interfere with, the management of the business of the employer. It should strive to make membership in it so valuable as to attract all who are eligible, but in its efforts to build itself up, it must not lose sight of the fact that those who may think differently have certain rights guaranteed them by our free government. However irritating it may be to see a man enjoy benefits to the securing of which he refuses to contribute, either morally, or physically, or financially, the fact that he has a right to dispose of his personal services as he chooses, cannot be ignored. The non-union man assumes the whole responsibility which results from his being such, but his right and privilege of being a non-union man are sanctioned in law and morals. The rights and privileges of non-union men are as sacred to them as the rights and privileges of unionists. The contention that a majority of the employees in an industry, by voluntarily associating themselves, in a union, acquire authority over those who do not so associate themselves is untenable.—*Report of the Anthracite Coal Strike Commission. p. 64.*

There can be no real collective bargaining in a closed shop, for the parties do not stand upon an equal footing. There is only a demand and a surrender, and the possession of the power of monopoly by the union tends to put the terms of the demand upon an abnormal and artificial basis. Much so-called collective bargaining is really a conspiracy between a closed-shop union

## THE CLOSED SHOP

and a group of employers against the general public. Competition is eliminated, the employers get higher prices, the union gets unusual concessions, and the public pays the bill. Outside of such arrangements, the employer charged with the duty of keeping the processes of industry in operation will not voluntarily accept the lessened efficiency and the disorganization represented by a closed-shop agreement. He cannot afford it. Many of our large national industries have been at different times governed by closed-shop agreements, but like a machine that proves too wasteful and costly, the closed shop was discarded and will never again be accepted.—*Walter Drew. Trade Unionism—a constructive criticism. p. 3.*

### *Oath of International Typographical Union*

I (give name) hereby solemnly and sincerely swear, or affirm, that I will not reveal any business or proceedings of any meeting of this or any subordinate union to which I may hereafter be attached, unless by order of the union, except to those I know to be members in good standing thereof; that I will, without equivocation or evasion, and to the best of my ability, abide by the constitution, by-laws, and the adopted scale of prices of any union to which I may belong; that I will at all times support the laws, regulations, and decisions of the International Typographical Union, and will carefully avoid giving aid or succor to its enemies, and use all honorable means within my power to procure employment for members of the International Typographical Union in preference to others; that my fidelity to the union and my duty to the members thereof shall in no sense be interfered with by any allegiance that I may now or hereafter owe to any other organization, social, political or religious, secret or otherwise; that I will belong to no society or combination composed wholly or partly of printers, with the intent or purpose to interfere with the trade regulations or influence or control the legislation of this union; that I will not wrong a member, or see him or her wronged, if in my power to prevent. To all of which I pledge my most sacred honor.—*U. S. Industrial Commission. 17:86-7. 1901.*





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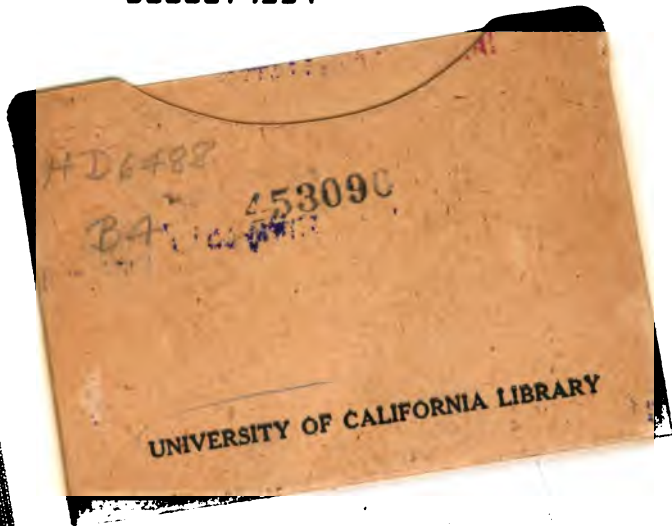
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